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DATE: 6 October 2020

LEADER OF THE COUNCIL

- 1 **BROMLEY BOROUGH COMMUNITY INFRASTRUCTURE LEVY - DRAFT CHARGING SCHEDULE CONSULTATION AND SUBMISSION** (Pages 3 - 224)
- 2 **ALLOCATION OF GRANT FUNDING RELATING TO COVID-19** (Pages 225 - 242)
- 3 **PROPERTY ACQUISITION SCHEME PROPOSAL** (Pages 243 - 250)

Copies of the documents referred to above can be obtained from
<http://cds.bromley.gov.uk/>

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Report No.
HPR2020/027

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **LEADER**

FOR DISCUSSION AT DEVELOPMENT CONTROL COMMITTEE

Date: **DCC: 24 September 2020**

Decision Type: Non-Urgent Executive Key

Title: **BROMLEY BOROUGH COMMUNITY INFRASTRUCTURE LEVY
– DRAFT CHARGING SCHEDULE CONSULTATION AND
SUBMISSION**

Contact Officer: Ben Johnson, Head of Planning Policy and Strategy
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Chief Officer: Tim Horsman, Assistant Director (Planning)

Ward: (All Wards);

1. Reason for report

- 1.1 This report seeks the Committee's agreement to approve the Bromley Community Infrastructure Levy Draft Charging Schedule for consultation and subsequent submission to the Secretary of State for independent examination. Once adopted, the Community Infrastructure Levy will provide financial contributions from certain types of development to help fund new or improved strategic infrastructure required to support the growth identified in the Bromley Local Plan.

2. **RECOMMENDATIONS**

- 2.1 **That the Development Control Committee recommend to the Leader that the Bromley Community Infrastructure Levy Draft Charging Schedule at Appendix 1 is approved for consultation and, pending no changes following consultation, subsequent submission to the Secretary of State for independent examination (alongside all relevant supporting documents).**
- 2.2 **That the Leader approve the Bromley Community Infrastructure Levy Draft Charging Schedule at Appendix 1 for consultation and, pending no changes following**

consultation, subsequent submission to the Secretary of State for independent examination (alongside all relevant supporting documents).

- 2.3 That approval of any necessary changes to the Draft Charging Schedule prior to submission (as a result of consultation) be delegated to the Director of Housing, Planning, Property and Regeneration in consultation with the Portfolio Holder for Renewal, Recreation and Housing.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: No impact
-

Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Vibrant, Thriving Town Centres Regeneration Excellent Council Quality Environment
-

Financial

1. Cost of proposal: Cost of consultation and examination can be met from Planning Policy and Strategy budget, and can be set against future CIL income upon adoption of CIL.
 2. Ongoing costs: Resource costs for ongoing management of CIL will be accommodated in Planning Policy and Strategy budget, funded from a proportion of CIL receipts which can be used to fund administration of the CIL. Additional staffing resources to assist with CIL collection and allocation may be needed in future.
 3. Budget head/performance centre: Planning Policy and Strategy
 4. Total current budget for this head: £0.568m
 5. Source of funding: Existing Revenue Budget for 2020/21
-

Personnel

1. Number of staff (current and additional): 3 FTE
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: The Community Infrastructure Levy Regulations 2010 (as amended)
 2. Call-in: Applicable
-

Procurement

1. Summary of Procurement Implications: N/A
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Background

- 3.1 The Community Infrastructure Levy (CIL) allows local authorities in England and Wales (known as charging authorities for the purposes of CIL) to raise funds from developers undertaking new building projects. It effectively replaces much of the existing process of planning obligations commonly known as Section 106 agreements (although in some instances Section 106 agreements will still be sought – see below). The primary use of CIL is to gain financial contributions from certain types of development to help fund new or improved strategic infrastructure required to support the growth identified in the Local Plan. CIL places a charge per square metre on development. It will not be the sole funding source for all infrastructure delivered but will supplement other revenue streams.
- 3.2 CIL liability is triggered by most development comprising buildings that include an increase of new build floorspace of 100sqm or more of gross internal floorspace (GIA); or where there is a creation of a new dwelling. Provided that a building has not been left vacant, the GIA of any existing building on the site which is due to be demolished, or which will form part of the new development, would normally be deducted from the chargeable area.
- 3.3 The CIL Regulations also provide exemptions and reliefs from payment of the levy for certain forms of development. (subject to certain criteria); this includes relief for social housing, charitable development, self-build homes, residential extensions and residential annexes.
- 3.4 A chargeable development, for the purposes of determining a CIL liability, is the development for which planning permission is granted. This includes development where planning permission is granted by way of a “general consent” (such as permitted development) if it is of a sufficient scale or type which would trigger liability to pay CIL (as noted in paragraph 3.2 above). CIL is a mandatory payment that becomes payable on commencement of development by the party who has assumed liability or each person known to the authority as an owner of the relevant land.
- 3.5 The Council consulted on a CIL Preliminary Draft Charging Schedule (PDCS) in early 2018. The requirement for this stage of consultation no longer exists following changes to legislation in September 2019, but where a consultation was undertaken before this date, the charging authority must take into account any representations made before it publishes a draft charging schedule. A consultation statement is provided at Appendix 2, which details representations received during the PDCS consultation and the Council’s response to these representations.

Draft Charging Schedule and supporting documents

- 3.6 The Draft Charging Schedule (DCS) is provided at Appendix 1. The DCS proposes the following charges:
- £150 per sqm for large-scale purpose-built shared living¹ and purpose-built student accommodation².
 - £100 per sqm for residential development excluding residential development which delivers additional care and support services (which will be charged at a nil rate); and large-scale purpose-built shared living and student accommodation (which have a separate rate).

¹ Large-scale purpose-built shared living is sui generis non-self-contained market housing. It is not restricted to particular groups by occupation or specific need such as students, nurses or people requiring temporary or emergency accommodation proposed by speciality providers.

² Purpose built student accommodation is sui generis non-self-contained housing that is secured (through legal agreement) for use by students.

- £100 per sqm for retail warehousing³ over 1000sqm.
 - £100 per sqm for supermarkets/foodstore over 280sqm (3,000 sq ft).
 - £0 per sqm for all other forms of development.
- 3.7 These rates align with those consulted on in the PDCS consultation, except for the higher rate for large-scale purpose-built shared living and purpose-built student accommodation. This higher rate has been introduced in the DCS due to further viability testing, which shows that these types of development can viably accommodate a higher CIL contribution.
- 3.8 Some respondents to the PDCS consultation suggested that the Council should explore differential charging rates, particularly where different CIL charges would apply in different parts of the Borough. The viability study at Appendix 3 has considered whether such rates are necessary and concludes that there is not significant justification on viability grounds for a lower differential rate for different parts of the Borough; and highlights the simplicity of a single headline type charging rate set at a rate which is not too high, i.e. at the margins of what is viable. At the proposed rates, CIL is a modest proportion of overall development value, and it is noted that actual schemes that come forward are likely to benefit from reductions not explicitly modelled in the viability (see paragraph 3.10 below). It is also noted that some areas of the Borough could support a higher rate, therefore the proposed rate is considered to be pitched appropriately.
- 3.9 The DCS does set out differential charging rates for different development types, as set out above and in Appendix 1. One respondent to the PDCS suggested incorporating different development types into the viability testing. The viability study has had regard to different types of residential development including build to rent, large-scale purpose-built shared living and student accommodation. The conclusions of the study support a higher rate for large-scale purpose-built shared living and student accommodation; for build to rent, the viability study notes that the additional flexibility relating to affordable housing for these schemes and the likely limited frequency of such schemes coming forward means that a differential rate is not necessary. Actual schemes that come forward are likely to benefit from reductions not explicitly modelled in the viability (see paragraph 3.10 below), which will improve viability for build to rent schemes.
- 3.10 The Council considers that the DCS reflects the findings of the viability study and addresses issues raised by PDCS respondents. It is noted that the viability study takes a conservative approach to assessing CIL rates, and that it does not include any discounting to reflect existing floorspace on sites. Officers have since looked at development in the Borough that has been subject to the Mayor of London CIL (to which the Council is the Collecting Authority); typically, two thirds of sites contain existing floor space, on average representing a 50% reduction in liable floorspace – globally this would represent an average assumption of a 33% reduction on CIL liabilities. The rate of reduction differs slightly in different areas, with the figure rising to 40% in Bromley Town. This analysis shows that there is some additional viability headroom with the proposed CIL rate and confirms the proposed rates are demonstrably viable and are unlikely to threaten future scheme viability.
- 3.11 The CIL regulations require that *“in setting rates.....a charging authority must aim to strike what appears to the charging authority to be an appropriate balance between—*
- (a) the desirability of funding from CIL....to support the development of its area, taking into account other actual and expected sources of funding; and*

³ Retail warehousing is defined for the purposes of CIL as: large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering mainly for car-borne customers.

(b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area.”

3.12 The DCS is underpinned by two main evidence base documents which satisfy the above requirements set out in CIL regulations and Planning Practice Guidance (PPG)⁴:

- CIL Viability Assessment (provided at Appendix 3): the viability assessment, produced for the Council by Dixon Searle Partnership, examines the levels of CIL that can be achieved across the Borough without affecting the overall viability of development identified in the Local Plan. This assessment is based on a number of site typologies, reflecting typical sites that are considered likely to come forward in the Borough. Only developments that are shown to be viable will be charged CIL. The PPG notes that *“viability assessments should be proportionate, simple, transparent and publicly available in accordance with the viability guidance”*⁵ and that *“a charging authority’s proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence”*⁶. The DSP report is consistent with the CIL regulations and PPG; the intention is not that the proposed CIL should be proven to be affordable on every site, but that, as a whole, it can be afforded against the majority of sites (based on the site typologies modelled in the viability assessment) to sufficiently enable the planned development targets to be delivered.
- Infrastructure Delivery Plan (IDP) (provided at Appendix 4): the IDPs role is to demonstrate that there is a funding deficit between the total cost of required infrastructure and the infrastructure already agreed for delivery and to be financed by other sources. As noted upfront in the IDP document, the information contained in this iteration of the IDP is based on the best available data, and is correct at the date of publication. It provides an overview of current infrastructure needs; it does not establish a hierarchy of future investment decisions by either the Council or other infrastructure delivery agencies. The projections and infrastructure proposals may change over time, and the IDP will be updated periodically to incorporate such changes. The PPG⁷ *“recognises that there will be uncertainty in pinpointing other infrastructure funding sources, particularly beyond the short-term”*; that *“[c]harging authorities should focus on providing evidence of an aggregate funding gap that demonstrates the need to put in place the levy”*; and that *“[a]ny significant funding gap should be considered sufficient evidence of the desirability of CIL funding, where other funding sources are not confirmed”*. The deficit identified in the most up-to-date version of the IDP at Appendix 4 demonstrates a significant funding gap, and, consistent with legislation and guidance, justifies the position of the Council to move forward with CIL. It is noted that further detail on CIL spending priorities that are to be funded in whole or in part by the levy should be set out in an Infrastructure Funding Statement (IFS) which must be published annually. The requirement to publish an IFS was introduced via the 2019 CIL regulation amendments, with the deadline for publication of the first IFS being December 2020.

3.13 In addition to the viability assessment and IDP, there are further documents which will be prepared and submitted alongside the DCS, to help justify the proposed approach and provide clarity on certain issues, including operational issues. A draft ‘Operational Guidance’ document is provided at Appendix 5 for information. This document is not mandatory, but would address many questions the Council receive on the collection and spending of CIL. The CIL Regulations can be very complex, and sometimes vague in the respect of practical interpretation.

⁴ Available here: <https://www.gov.uk/guidance/community-infrastructure-levy>

⁵ Ibid, Paragraph: 019 Reference ID: 25-019-20190901

⁶ Ibid, Paragraph: 020 Reference ID: 25-020-20190901

⁷ Ibid, Paragraph: 017 Reference ID: 25-017-20190901

Furthermore there are locally determined elements such as the proportion of expenditure to be specifically directed to 'the local area', or discretionary reliefs, which would benefit from having a clear narrative and statement of intent by the Council; this will be of benefit to developers and residents alike. The guidance is not part of the CIL examination and could be updated at any time, either pre-submission, during the examination or post-adoption.

- 3.14 Information on section 106 funding collected in recent years is provided at Appendix 6. This document will be submitted alongside the DCS, to address guidance in the PPG⁸ which states that *“as background evidence, the charging authority should also provide information about the amount of funding collected in recent years through section 106 (s106) agreements. This should include information on the extent to which their affordable housing and other targets have been met.”* In line with guidance, the paper sets out the amount of funding collected in recent years, and the Council's record of achieving affordable housing over the last five years. Further information relating to s106 agreements can be found within Bromley's Authority Monitoring Reports (AMRs)⁹.
- 3.15 Once CIL is adopted it is assumed to be the primary mechanism to raise funds for strategic infrastructure. The Council has until now used s106 to raise contributions towards various infrastructure projects, ranging from items directly required as a result of development (such as landscaping or immediate highway improvements) to off-site tariffs, such as those collected for education and community facilities. Once CIL is adopted, the s106 process will remain, however its scope will be largely restricted to site specific aspects, with wider infrastructure delivery assumed to be paid for via CIL. Affordable Housing (including payments in-lieu) and non-infrastructure contributions (e.g. employment and training, carbon offset) will continue to be secured via s106. The Council is required to provide narrative on the balance of its approach between CIL and s106 as part of annual IFS (discussed above).

Next steps

- 3.16 Following approval by Executive, the DCS will be subject to consultation for a minimum of four weeks, in line with guidance set out in the PPG. Following consultation on the draft proposals, the DCS will then be submitted for examination. Unlike other planning documents like Local Plans, the examination is undertaken by an 'examiner' appointed by the Council; this can be the Planning Inspectorate or another suitably qualified person. A CIL examination usually involves an informal hearing lasting one or two days (depending on the complexity of the schedule or representations raised).
- 3.17 Subject to a successful examination, the Council are then required to formally adopt the Charging Schedule and state a date for it to come into effect. The date of effect will require any application determined on or after that date to be liable for CIL, irrespective of when the application was received by the Council. As such it is typical for a Council to specify a future date of effect - usually 1 to 2 months after adoption by the Council. Factoring in these stages, it is envisaged that the local CIL would be adopted and take effect by autumn 2021, dependent on the committee cycle.
- 3.18 In terms of administering CIL, the Council is already the collecting authority for the Mayor of London CIL, and as such already has bespoke systems in place and trained staff to implement a Bromley CIL. The introduction of a Borough CIL will increase administrative requirements for each CIL liable application given that the Borough CIL will also need to be calculated. The calculation of CIL may be slightly more complex in certain cases, as may challenges against the chargeable amount.

⁸ Ibid, Paragraph: 019 Reference ID: 25-019-20190901

⁹ Recent published AMRs are available here:

https://www.bromley.gov.uk/downloads/download/73/annual_monitoring_reports_and_five_year_housing_supply

- 3.19 For the purpose of adopting CIL, the Council is not required to stipulate how it will be spent. However, establishing a process and principles for prioritising and allocating CIL expenditure will be important post-adoption, not only for services in the Council, but also other stakeholders and the local community. The CIL Regulations require that CIL is spent towards “*the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area*”. The definition of ‘infrastructure’ is very broad, covering all forms of transport, health, social and educational improvements – the only stipulated exception is affordable housing.
- 3.20 Whilst not prescribing an approach, government guidance is clear that Councils’ should put CIL towards “*infrastructure they need to deliver their relevant plan*” – in this case the Bromley Local Plan adopted on 16 January 2019. The IDP at Appendix 4 outlines the overall infrastructure needs to deliver the Local Plan but it does not prioritise any expenditure; government guidance is clear this a matter for the Council to determine. The IDP is a living document and the stipulated schemes may change from time to time, hence the Council is not obliged to tie CIL expenditure to items in the IDP, although it should be given key regard. Furthermore, the Council is required to identify a ‘neighbourhood proportion’ of CIL to be specifically spent in the ‘neighbourhood’ where development has occurred. The government does not prescribe how this is to be achieved, nor does it specify the extent of a ‘neighbourhood’. In general however, the Council is expected to set out a process to ensure a minimum of 15% of CIL receipts raised in a defined area is put toward priorities expressed by residents in that area; for example, this could be a proposal set out in a neighbourhood plan or expressed through other community participation events.
- 3.21 As CIL is only received on the commencement of sites approved after CIL comes into effect, it is unlikely to reach levels on to which to formalise investment priorities until at least 2023 based on the approximate timescale for adoption set out above. In the interim, extant s106 amounts (which are stipulated for specific use or use by a specific service) from sums received or due to be received from current permissions will remain the main source of income from development. Previously, in the report to approve the PDCS, this committee was advised that CIL would raise approximately £3.5m per annum; whilst this is still possible, it is an ambitious total and would likely only become achievable in the second or third year of operating CIL at any rate. Officers are producing an up-to-date projection of funds based on future planned growth, including geographical dispersal for the purposes of neighbourhood proportion.

4. POLICY IMPLICATIONS

- 4.1 The impacts of the COVID-19 pandemic are currently uncertain, but it is noted that it could have significant impacts on the local economy and housing supply in particular, hence it could impact on projected CIL receipts and could also slow down development or preclude development coming forward entirely. However, such impacts are not yet evident at a macro level. The DCS is underpinned by a viability assessment which takes a prudent approach to modelling potential CIL rates – it is therefore considered that the rates proposed in the DCS will not introduce significant financial constraints on development, as the viability assessment includes significant headroom to account for any additional financial constraints, for example, the cost of delays to development due to the pandemic.
- 4.2 It is noted that that government has implemented a CIL payment deferral process in response to the pandemic, permitting CIL liabilities to be deferred for up to 6 months. The approach to defer rather than reduce or ‘write off’ CIL liabilities is evidence of a view that the matter is temporary, and that the market will ‘pick up’. It is also relevant that the government specifically made the option of deferral only available to those with a turnover of less than £45 million per annum, suggesting that the government envisage that the impacts of the pandemic will affect smaller

firms and that only such firms should benefit from the deferral option; conversely, this suggests that the government considers larger firms are well placed to weather any impacts.

- 4.3 The government has recently launched a consultation on significant changes to the planning system¹⁰. This includes a proposal for a new Infrastructure Levy which will replace CIL and s106. No firm proposals are put forward and there has been no information published about transition to the new system for Boroughs such as Bromley who are currently in the process of introducing CIL. Therefore, officers consider that the planning reform consultation does not affect any decision to proceed with adopting a Borough CIL. Based on a CIL adoption date of mid-2021, it is likely that CIL would be in place for at least two to three years while any new planning system is put in place, during which time the CIL would apply and we would receive payments to fund essential infrastructure in the Borough. Having an adopted CIL in place may also provide a more solid footing to develop a future Infrastructure Levy, as there would be a tangible charging levy which could be used to inform it (although this is dependent on the degree to which there is local flexibility in setting the rates in any future Infrastructure Levy). The costs associated with proceeding with CIL adoption relate to the cost of consultation on the DCS and the cost of holding the examination, which are already budgeted for as noted below in the financial implications; therefore, even if the government does publish guidance which requires a pause in work on CIL, the aborted costs incurred would not be significant.

5. FINANCIAL IMPLICATIONS

- 5.1 As reported above, the previous estimate was that CIL would raise approximately £3.5m per annum, although officers currently believe this will not be achieved until the second or third year of operation i.e. no earlier than 2023. This estimate will need to be updated based on latest available data and officers are progressing this. The nature of schemes that CIL is designed to finance will mean that the majority of expenditure enabled will be through the Capital Programme. Therefore, this funding source will need to be factored into the Council's Capital Strategy and future expenditure and financing considerations.
- 5.2 Preparation of these documents will be led by the Planning Policy and Strategy Team, with input from other Council departments from where necessary. The cost of consultation and examination can be met from the Planning Policy and Strategy existing revenue budget. It is estimated that the combined cost of consultation and examination will be £5-£10k. This includes potential further support from the Council's viability consultants, if required. Should the charging schedule be approved and the Council adopt a local CIL, then the costs incurred can be set against future CIL income.
- 5.3 Ongoing management of CIL will be accommodated in Planning Policy and Strategy budget, although additional staffing resources may be necessary to assist with CIL collection and allocation. The CIL Regulations allow for a proportion of CIL receipts to be used to fund administration of the CIL:
- in years one to three, the total amount of CIL that may be applied to administrative expenses incurred during those three years, and any expenses incurred before the charging schedule was published, shall not exceed five per cent of CIL collected over the period of years one to three; and
 - in year four, and each subsequent year, the total amount of CIL that may be applied to administrative expenses incurred during that year shall not exceed five per cent of CIL collected in that year.

¹⁰ Planning for the Future, available here: <https://www.gov.uk/government/consultations/planning-for-the-future>

5.4 Further guidance on what constitutes is set out in the PPG¹¹:

“Administrative expenses associated with the levy include the costs of the functions required to establish and run a levy charging scheme. These functions include levy set-up costs, such as consultation on the levy charging schedule, preparing evidence on viability or the costs of the levy examination. There are similar costs associated with amending a levy charging schedule. They also include ongoing functions like establishing and running billing and payment systems, enforcing the levy, the legal costs associated with payments in-kind and monitoring and reporting on levy activity.”

5.5 This proportion of CIL will be used to meet the cost of any additional resources required, and also contribute towards the Council’s other budgeted costs. The overall cost of administration remains to be determined and costed; this will need to be considered and approved before the scheme is implemented and reflected in the Council’s revenue budget plans.

6. LEGAL IMPLICATIONS

6.1 The DCS has been prepared in line with the Community Infrastructure Levy Regulations 2010 (as amended) and relevant PPG. Consultation on the DCS and subsequent submission to the Secretary of State will be in line with this legislation and guidance. The DCS consultation will be a minimum of four weeks and will also have regard to the Council’s Statement of Community Involvement (SCI).

6.2 Due to the current COVID-19 restrictions and the potential for further restrictions to be imposed at short notice, it may not be possible to fully address the consultation requirements set out in national legislation and guidance and in the Council’s SCI, particularly with regard to having documents available for inspection at Council offices. Where this is not possible, the Council will seek to notify widely via email, the Council website and through other means where appropriate. This will ensure that the DCS documents are available widely and is considered to be a practical and pragmatic approach as advocated in the Chief Planners Letter of 20 March 2020¹².

Non-Applicable Sections:	N/A
Background Documents: (Access via Contact Officer)	<p>Bromley Local Plan 2019 - https://www.bromley.gov.uk/download/downloads/id/4768/bromley_local_plan.pdf</p> <p>Bromley Community Infrastructure Levy – Preliminary Draft Charging Schedule and Executive report – https://cds.bromley.gov.uk/documents/s50055193/London%20Borough%20of%20Bromleys%20Community%20Infrastructure%20Levy%20proposed%20Preliminary%20Draft%20Charging%20Sched.pdf</p> <p>Planning Practice Guidance – Community Infrastructure Levy - https://www.gov.uk/guidance/community-infrastructure-levy</p> <p>Bromley Statement of Community Involvement - https://www.bromley.gov.uk/download/downloads/id/2750/revised_statement_of_community_involvement_2016.pdf</p> <p>CIL Viability Assessment appendices</p>

¹¹ Paragraph: 157 Reference ID: 25-157-20190901, available here: <https://www.gov.uk/guidance/community-infrastructure-levy>

¹² Available here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/875045/Chief_Planners_Newsletter_-_March_2020.pdf

Community Infrastructure Levy



Draft Charging Schedule

September 2020

September 2020
London Borough of Bromley
Planning Strategy and Projects

T: 0208 313 4344

E: LCIL@bromley.gov.uk

London Borough of Bromley
Draft Community Infrastructure Levy (CIL) Charging Schedule
September 2020

Date Approved XXXX

Date of Effect XXXX

Effect

This Charging Schedule has been prepared in accordance with the Community Infrastructure Levy Regulations 2010 (as amended, herein referred to as 'the Regulations') and Part 11 of the Planning Act 2008. Account has also been taken of the National Planning Policy Framework and relevant planning practice guidance.

The London Borough of Bromley is the Charging and Collecting Authority for CIL under this schedule. The Council is also the Collecting Authority for the Mayor of London CIL which may be payable in addition to the rates stipulated in this Charging Schedule. Details of the Mayor of London CIL can be found on the www.london.gov.uk website at: <https://www.london.gov.uk/what-we-do/planning/implementing-london-plan/mayoral-community-infrastructure-levy>

Liability to pay CIL

Part 4 of the Regulations sets out the liability to pay CIL, with Regulation 9 determining what constitutes the 'Chargeable Development'. Regulation 40 sets out how the 'Chargeable Amount' is calculated. There are some exemptions and relief from paying CIL (such as for Social Housing and Self-Build) which are set out in Part 6 of the Regulations. The Council has produced an Operational Guidance Document which sets out more specifically the latest Liability to pay CIL for development within the London borough of Bromley.

At the time of drafting this schedule, liability to pay CIL applies to all floor space (including change of use proposed in a development with the exception of (Regulation 42):

1) Liability to CIL does not arise in respect of a chargeable development if, on completion of that development, the gross internal area of new build on the relevant land will be less than 100 sqm.

(2) But paragraph (1) does not apply where the chargeable development will comprise one or more dwellings.

(3) In paragraph (1) "new build" means that part of the chargeable development which will comprise new buildings and enlargements to existing buildings.

Calculation of CIL Charge

Part 5 of the Regulations set out how CIL is calculated – further guidance can be found in the Operational Guidance.

For ease of interpretation, at the time of drafting this Schedule, CIL is charged per sqm at the rates below on the net additional floor space created – this being the Gross Internal Area proposed less any existing buildings within the proposal in lawful use which are to be retained as part of the development or demolished before completion of the chargeable development.

The Mayor of London CIL rates may also apply in addition to the London Borough of Bromley CIL. At the time of drafting this schedule this was 'MCIL2' which places an additional rate of £60 per sqm on all development except health and education uses.

Inflation and Indexation

As set out in Part 5 of the Regulations, CIL rates are subject to indexation from the date the Schedule comes into effect to the date planning permission is awarded. The rate of CIL (both LBB and Mayor of London) will therefore alter depending on the year planning permission for a chargeable development was granted

On the day the Schedule came into effect, CIL rates are indexed against the 'RICS CIL Index', if this is not available the next index in the table below is used. On the date the schedule was adopted the published index was:

Index Type	Index as of XXXX
1) RICS CIL Index	xxxx
2) All-in Tender Price Index	xxxx
3) Retail Prices Index	xxxx

London Borough of Bromley Draft Charging Schedule Rates

Rates (<i>applicable across the whole administrative area of the London Borough of Bromley</i>)	Charge £ per sqm
Residential development excluding residential development which delivers additional care and support services	£100 per sqm
Large-scale purpose built shared living ¹ and purpose built student accommodation ²	£150 per sqm
Retail Warehousing ³ over 1000sqm	£100 per sqm
Supermarkets/foodstore over 280sqm (3,000 sq ft)	£100 per sqm
Other forms of development	£0 per sqm

¹ Large-scale purpose-built shared living is sui generis non-self-contained market housing. It is not restricted to particular groups by occupation or specific need such as students, nurses or people requiring temporary or emergency accommodation proposed by speciality providers.

² Purpose built student accommodation is sui generis non-self-contained housing that is secured (through legal agreement) for use by students.

³ Retail warehouse are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering mainly for car-borne customers.

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Community Infrastructure Levy Draft Charging Schedule (DCS)

Background Evidence



Schedule of Representations to the CIL Preliminary Draft Charging Schedule Consultation

September 2020
London Borough of
Bromley Planning
Strategy and Projects

T: 0208 313 4344

E: LCIL@bromley.gov.uk

Schedule of Representations to the CIL Preliminary Draft Charging Schedule Consultation and LB Bromley responses.

ID CIL PDCS	Organisation	Summary of Representation	Council's Response
001	Resident	What rules will be in place to ensure that the levy is spent on the relevant infrastructure rather than being treated as an addition to the Council Tax?	Specific Governance arrangements of local CIL have yet to be decided however the list of specific infrastructure projects on which CIL can be spent will be compiled and published in compliance with Government CIL Regulations via the requirement to produce an 'annual Infrastructure Funding Statement'
002	Natural England	The topic of the Community Infrastructure Levy Charging Schedule does not appear to relate to interests to any significant extent. Therefore do not wish to comment.	Noted
003	Highways England	Development contributions towards SRN improvements would be secured via S278 agreements, and not via a CIL Reg123 List or S106. The use of S278s will enable multiple sites to contribute if appropriate, and also secures the Secretary of State's position by ensuring that 100% of contributions go towards the SRN improvement.	Noted
004	Clarion Housing Group	We very much support Bromley establishing a CIL as we believe this to be a clearer, more transparent method of local authorities funding infrastructure. It also provides housebuilders with more certainty upfront in terms of costs and makes the building of affordable homes more attractive.	Support noted
005	Sport England	Support for addressing site specific matters under s106.	Support noted
		However, SE does not support the approach for collecting s106 for new sporting infrastructure as set out in the 123 list under the very broad categories of open space and health and wellbeing.	Noted
		The IDP approach for provision of open space and built sport facilities does not work for sports facilities as it accounts only for quantity of the facilities, not the quality.	Noted
		SE remains of the view that the Council should undertake a playing pitch strategy and a built sports facilities strategy at the earliest opportunity. This is supported by the current NPPF (paragraph 71), the draft NPPF (paragraph 97) and the draft London Plan further highlights the requirement for the Council to undertake a Playing Pitch Strategy (see paragraph 5.5.4).	Noted.

ID CIL PDCS	Organisation	Summary of Representation	Council's Response
006	GLA	The Mayor welcomes the principle of Bromley seeking to secure appropriate developer contributions in order to support the funding and delivery of improved infrastructure.	Noted
		Issues arising from the consultation including the MCIL2, and Indexation, should be discussed in a meeting with the GLA.	Meeting undertaken with GLA and TfL April 2018. Agreed Viability refresh necessary. This has been undertaken in the 2020 DSP report.
007	Civic Society	Clarity is needed on items of infrastructure that could be funded through CIL, and for arrangements of spending funds that are received.	This will be undertaken as part of future annual Infrastructure Funding Statements
		What is the scope for using the funds obtained through the CIL for the support of non-commercial, cultural community facilities such as arts centres, galleries and venues for performance arts and music? Such support will be needed in Bromley Town Centre where there is a substantial increase in the population arising from planned development and demand for retail floorspace has plateaued.	As above
		What is the scope for using the funds obtained through the CIL for the restoration and re-use of heritage assets or for the promotion and interpretation of an area's heritage? Such measures are important in Bromley Town Centre where heritage is under pressure from increased intensification.	As above
		In the PDCS section entitled 'Neighbourhood Plans' it says 'Neighbourhoods without a Neighbourhood Development Plan, but where the CIL is charged will receive a capped share of 15% of the levy arising from development in their area.' How and to whom will this 'capped share' be paid? Will it be necessary to have a Neighbourhood Forum in place or a Neighbourhood Planning Area defined before the money can be paid?	As above
		In the PDCS section entitled 'Neighbourhood Plans', that: 'The Council must agree with the local community how to spend the money'. What is the process for this and how is the 'local community' defined?	As yet not defined – this will be considered once CIL is adopted
008	BE Living	BE Living are critical of no differential between sites especially town centre sites and despite noting this was considered it is not clear as to why this was discounted. The delivery of these sites is critical the delivery of the Plan. Bromley cannot demonstrate that it has struck	The Council acknowledge this observation, which is covered in the Viability report update by DSP (2020). The Council consider that a flat rate is more practical approach and has been deemed affordable.

ID CIL PDCS	Organisation	Summary of Representation	Council's Response
		<p>an 'appropriate balance' Reg14 (1).</p> <p>Viability evidence does not specifically assess the viability of town centre sites allocated for residential development in the draft Local Plan. This is considered a major shortcoming of the viability evidence.</p> <p>Bromley Town Centre and in particular Bromley North Station would be rendered unviable. Viability matters should be reviewed. Propose Bromley North brought forward under s106 and s278 regime.</p> <p>Has potential to prejudice the delivery of the Local Plan. Setting of an unrealistic high CIL rate places Local plan policies at risk. Residential rate put an unreasonable burden on town centre sites.</p>	<p>This has been covered in the DSP 2020 viability review.</p> <p>This has been covered in the DSP 2020 viability review. The testing of CIL is not required to demonstrate viability of specific sites and specific development models.</p> <p>See Above</p>
009	Environment Agency	<p>States it is essential that key environmental infrastructure elements are embedded in the Community Infrastructure Levy documents. The response points out that Capital funding sources must be identified and a clear commitment shown to the provision of infrastructure before new housing is allowed to proceed so as to mitigate the impact and not make any deficiencies worse. Information is given regarding flood schemes being currently assessed in the Borough, and schemes that contribute to outcomes for 2021.</p> <p>Consideration should be given to whether it would be best to include schemes in the Reg 123 list or that they remain within the s106 approach.</p>	<p>LB Bromley can confirm that all schemes and data mentioned were included in the LB Bromley Infrastructure Delivery Plan (IDP) 2016 (since updated in 2020) which also forms part of the evidence base for the CIL as well as the Local Plan) and also the draft Local Plan IDP schedule Appendix 10.13.</p> <p>Regulation 123 no longer applies – further commentary on the prioritisation of CIL will be covered in future annual Infrastructure Funding Statements</p>
010	St William (Berkeley Group and National Grid)	<p>Currently the PDCS applies a flat rate of £100 per m² to chargeable residential development across the Borough. Whilst this may be the simplest approach, St William are of the view that the Council should consider setting a variable rate to account for the varying viability of residential development across the Borough. As the PDCS notes, the key driver of development is local values. For instance a flat rate below £100 per m² should be considered for the north west of the Borough. This would accord with CIL Guidance</p>	<p>The Council acknowledge this observation, which is covered in the Viability report update by DSP (2020). The Council consider that a flat rate is more practical approach and has been deemed affordable</p>

ID CIL PDCS	Organisation	Summary of Representation	Council's Response
		<p>which makes clear that Councils can set differential rates by area stating that:</p> <p><i>"If the evidence shows that the area includes a zone, which could be a strategic site, which has low, very low or zero viability, the charging authority should consider setting a low or zero levy rate in that area."</i></p> <p>Assumes that the CIL viability assessment produced in 2015- 2016 will be updated as the CIL Charging Schedule is progressed to ensure that the overall delivery of the Local Plan, including the much needed delivery of affordable housing, is not adversely impacted.</p>	Updated by the 2020 DSP Viability report
011	Transport for London	TfL has two main concerns, which need to be corrected for the Draft Charging Schedule, is that your proposals/appraisals have generally failed to take account of the Mayor's revised proposals for his own CIL (MCIL2), together with the current MCIL and the Indexation rate is incorrect.	Updated by the 2020 DSP Viability report
12	Hta (Riverside Group)	<p>Recommends that the infrastructure delivery plan be revised to reflect the significant uplift in the borough's housing target as set out in the Draft London Plan (due to be adopted 2019).</p> <p>Recommends that the financial viability assessments take into consideration the full range of planning policy requirements set to be introduced within the replacement London Plan (due to be adopted in 2019).</p> <p>Recommends that the financial viability assessment be tested using the proposed MCIL2 rates which are set to come into force from 2019, to coincide with the introduction of the LB Bromley CIL, which proposes an increased MCIL of £60/sqm (increased from £35/sqm in the currently adopted MCIL1).</p>	<p>Infrastructure Delivery Plan updated in 2020</p> <p>Updated by the 2020 DSP Viability report</p> <p>Updated by the 2020 DSP Viability report</p>

ID CIL PDCS	Organisation	Summary of Representation	Council's Response
		<p>Recommends that the financial viability assessments underpinning the CIL rates test a wider range of development types within the borough, including higher density development, and build to rent, and estate regeneration projects, and ensure that these accurately reflect the associated build costs, including the costs of expensive parking solutions, to provide a more realistic set of assumptions to underpin viability assumptions.</p> <p>Recommends that the Council consider setting differential CIL rates across the borough, with the lower CIL rates in the renewal areas, to support the objectives of the development plan.</p> <p>Recommends that the Council include provision for discretionary relief in exceptional circumstances, (such as in the case of estate regeneration projects which can be encumbered with significant development costs not associated with typical developments) within the CIL Charging Schedule.</p>	<p>Updated by the 2020 DSP Viability report</p> <p>The Council acknowledge this observation, which is covered in the Viability report update by DSP (2020). The Council consider that a flat rate is more practical approach and has been deemed affordable</p> <p>Based on the viability evidence, the Council considers the rates to be affordable and does not envisage the need for further relief measures. The Councils approach to relief will be covered in a CIL Operational Guidance document.</p>
013	Lambert Smith Hampton (Met Police)	<p>Concern that no infrastructure costs identified for the Metropolitan Police (MPS) in the IDP. Considers CIL charges to support policing at Borough Level are necessary and appropriate. There is no mention in the PDCS the collection of CIL payments to fund policing infrastructure. MPS believes there is a strong case for inclusion of funding for policing infrastructure due to envisaged growth in the delivery of new homes, commercial space, and employment over the Draft Local Plan period which will significantly increase the need for policing and the cost for associated infrastructure. The respondent states this represents a legitimate infrastructure requirement that should be accounted for within Bromley CIL and includes quotes from 2 planning appeal cases whereby the Inspectors supported financial planning contributions in principle for police equipment and other items of capital expenditure.</p>	<p>Infrastructure Delivery Plan updated in 2020 in consultation with the Met Police</p>
014	Network Rail	<p>It is necessary to seek alternative funding sources and Network Rail call on LB Bromley to invest revenue to improve London's railway and welcome the commitment in the CIL Regulation 123 list to support the Borough's and Mayor's transport priorities and seek third party funding contributions to the railway.</p>	<p>Regulation 123 no longer applies – further commentary on the prioritisation of CIL will be covered in future annual Infrastructure Funding Statements.. The testing of CIL is not required to demonstrate viability of specific sites and specific development models. The Council consider that a flat rate is more practical</p>

ID CIL PDCS	Organisation	Summary of Representation	Council's Response
		<p>Proposed levy in relation to Bromley Town Centre allocated sites and in particular Bromley North Station one of the largest site allocations, would potentially render development unviable prejudicing the achievement of strategic objectives that are central to delivering sustainable development in the borough.</p> <p>The site carries significant 'abnormal' costs than development elsewhere without constraints of replacing existing infrastructure such as a TfL bus stand, multi-storey carpark, station improvements etc and should not be subjected to an additional CIL cost – new infrastructure should be secured through s106 contributions as opposed to Reg 123 list.</p> <p>The charging schedule shows no differential between sites especially town centre sites, and it is not clear why this was discounted. In order to preserve the wider green belt, the delivery of these sites is critical to the delivery of the Plan and the proposed Charging Schedule should not prejudice this in any way. It is therefore imperative that the schedule is amended to better reflect the abnormal nature of the Bromley North site.</p>	<p>approach and has been deemed affordable</p>
015	Dron & Wright (London Fire & Emergency Planning)	<p>The following LEEPA sites in the borough are, Beckenham Fire Station, Biggin Hill Fire Station, Bromley Fire Station and Orpington Fire Station. Fire stations would fall under 'other forms of development' and therefore Nil rated which is welcomed as fire stations are a vital community safety facility.</p> <p>Bromley and Biggin Hill Fire Stations are priorities for improvement, requiring replacement/refurbishment, costs are unknown at this stage but LEEFA requests fire-fighting facilities are added to the borough draft Reg 123 list and are considered for funding/part-funding by CIL.</p>	<p>Welcome noted.</p> <p>Request noted.</p>
016	Aperfield Green Belt Action Group	<p>Welcomes information on proposed changes and are pleased to learn developments in and around Bromley (Town Centre) will provide the majority of housing needs.</p>	<p>Support noted.</p>
017	Parish of SS Joseph & Swithun	<p>No comment at this stage.</p>	<p>Noted</p>

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**For:
London Borough of Bromley**

CIL Viability Assessment – Update Review

**Final Report Issue v2.4
(July 2020)**

Assessment and review completed
December 2019

DSP18548

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Executive Summary

Context and assessment approach

1. This summary aims to provide a brief overview of the full report that follows – it is not a substitute for the full detail set out within that.
2. London Borough of Bromley (LBB) adopted its new local plan development document, the Bromley Local Plan, in January 2019.
3. The Council intends to support the infrastructure requirements associated with the Plan by putting in place a Community Infrastructure Levy (CIL). Local Authorities have the option to set up a CIL as well as continuing to use section 106 (s.106) planning obligations agreements for site-specific contributions or works that are needed to make a development acceptable in planning terms. Where they become charging authorities, their CIL Charging Schedule lists and describes the level or levels at which the CIL will be charged within their area - i.e. the charging rates.
4. The CIL Regulations have been amended since their inception in 2010, most recently with effect from 1st September 2019. The Regulations set out in standard terms the basis for the levy and how it is to be charged, collected, administered and spent (as well as the details of various Exemptions and Reliefs). The charge is made on a £/sq. m (£ per square metre) basis, essentially with all new dwellings (except for self-build homes and affordable housing) and most other developments of 100sq. m or more being chargeable.
5. The Government's guidance on the CIL is contained within a specific section of the on-line Planning Practice Guidance (PPG) resource; again, last updated on CIL on 1st September 2019.
6. Following these further changes, charging authorities have had considerably more flexibility over the use of s.106 planning agreements alongside CIL. Generally, however, with a CIL in place the use of s.106 will be significantly scaled-back.
7. This defined approach leaves the charging authority to consider and set only the charging rate or rates (including for any development types that will be nil rated i.e.

charged at £0/sq. m) at which the levy will be raised locally. These rates are set by reference to evidence on viability, which looks at the varying strength of relationship between the values and costs involved in a range of types of development and particularly those that are relevant to the delivery of the Local Plan. So ‘viability’ in this sense means the financial “health” of development.

8. Through preparing a required ‘Infrastructure Funding Statement’ the authority also decides which types of infrastructure the CIL receipts will be spent on, and how this will work alongside the use of planning obligations.
9. The charging proposals need to be consulted on using a Draft Charging Schedule, the consideration and publication of which is LBB’s next step. In this case, as there were previously two consultation stages, the Council consulted on a Preliminary Draft Charging Schedule version in March 2018. That was informed by viability evidence completed in November 2016¹ and also carried out by Dixon Searle Partnership (DSP) to support the Local Plan and begin informing the development of a CIL.
10. This update review builds on and refreshes that work. This has also been conducted in a way that is consistent with both the national policy and guidance (as mainly contained within the CIL section of the PPG as above) as well as with good practice involved in CIL (and Local Plan) i.e. ‘plan making’ viability assessment, together with DSP’s depth and breadth of experience of these processes.
11. The assessment is based on residual valuation principles. These offer the most established and suitable, robust approach used in conducting strategic level viability assessments such as this.
12. As described in detail in the following full report, the method involves deducting development costs from the end sale values using estimates (assumptions) to reflect those and how they may vary across various development types and / or by location. The resulting surplus hence ‘residual’ (or in some cases deficit) from the development value minus cost calculation is known as the residual land value (RLV) and indicates the sum that could be available to buy land (i.e. as a supportable land cost) in the case of an example development type (typology). Applied across different types of

¹ Viability Assessment – Local Plan, AH and CIL (DSP14288) - (November 2016)

development in this way (both residential and non-residential/commercial) we can also see the key influence of the strength of the values that may be available to support viability (known as gross development value or ‘GDV’). Therefore, we also assess viability as the GDVs vary (using a range of test value levels (VLs)) whether by scheme type or location, to explore this.

13. This approach links with the scope under the CIL Regulations to set varying rates, often referred to as differential rates, according to the type and scale of development, and potentially also by reference to different localities (or ‘zones’) which reflect varying viability and need to be mapped if they are to form the basis for any differential charging rates.
14. This is considered in the context of the development plan backdrop (allowing for the development cost impacts of Local Plan policy set – for example on key matters such as affordable housing (AH)) and the relevant characteristics of the local area, including the typical and expected development activity in the borough. The local policy costs are considered alongside the usual costs of development - including the build and other works costs, build cost contingencies and fees, finance, costs of sale and development profit. Viewed together, this enables the full collective (‘cumulative’) costs of development to be considered, and the scope for CIL to be viewed in this context. In Bromley’s case, the policy themes of the draft new London Plan are also relevant, as have been picked up through the course of the assessment.
15. Using suitable assumptions reflecting these costs, and making judgments from the appraisal results (again as set out in the report and appendices) enables us to test and consider at a proportionate and appropriate high-level how this relationship and scope, i.e. available headroom for CIL, varies. This shows through the varying strength of the RLV appraisal results and then informs the review of both suitable parameters for LBB CIL charging rates across various types of and locations for development.
16. The varying levels of the appraisal output RLVs are considered against a view taken on reasonable levels of land value, as a comparator, also known as benchmark land values (BLVs) for various potentially relevant site types in the area. We refer to these as ‘viability tests’.

17. By testing including varying levels of CIL cost, using a series of trial CIL rates that gradually load-in CIL cost in small steps, the assessment builds up a picture of how much scope there is considered to be, in viability terms, to bear the costs of a LBB CIL in the various relevant local development circumstances.
18. A “buffered” approach to considering CIL setting is required. This means that CIL rates are not to be set too close to the margins of viability, because the CIL is a fixed, non-negotiable cost and in practice other costs and influences on viability may well move around to some extent. This element involves a judgement and may vary.
19. The buffering or buffer factor is not a fixed margin or allowance but means allowing for some level of cushioning i.e. some leeway to help ensure that all the potentially available viability headroom is not taken for the CIL charging. In Bromley’s case as a London Borough, the London Mayoral CIL 2 (‘MCIL2’) that is in place is also a significant influence in considering the local charging rates scope. MCIL2 operates as a top slice from the development proceeds (charged at £60/sq. m), and this has been allowed for as a development cost in considering the local CIL scope.
20. The key test applied as charging authorities move forward to the independent examination of their draft charging schedules before adoption, is the need to consider and be able to show how their CIL proposals will strike an appropriate balance between the desirability of funding infrastructure and the viability of development. In doing this, the guidance recognises that while they are expected to show how the available information has informed the approach, the viability evidence does not have to be exactly followed. The PPG notes that there is ‘some room for pragmatism’, as it refers to nature of these considerations.

Findings Overview

21. Following this further review, and continuing to reflect the earlier assessment findings, there is sufficient viability scope in the borough to support a Bromley CIL that will provide funding towards the infrastructure requirements associated with new development.
22. This is the case without unduly impacting on development viability, such that in our view an appropriate overall balance between this and the funding of infrastructure can be struck.

23. While, as is often the case, there are also possibilities around a more complex charging approach for a Bromley CIL, in our view this would be unnecessary and a relatively simple charging approach would be able to serve well.
24. Nevertheless, differential charging rates are considered necessary in relation to varying development type here. This is a typical finding, as below.
25. The background to and parameters considered suitable for the Council to look at as part of its overall balance are as briefly summarised below. First an outline relevant to residential development is provided, followed by the findings as relate to commercial/non-residential development uses.
26. While reference to the Use Classes Order can help clarity in some cases, it is worth noting that it is not essential to set out the charging rates formally by reference to development Use Class. Rather, the authority needs to ensure the ease of operation of the charging schedule by using clear descriptions, and particularly when applying differential rates. In DSP's experience to date, we have not yet found it appropriate to recommend a single CIL charging rate that could be suitably applied across all chargeable developments. Consistent with wider assessment experience, we have found some level of differentiation to be needed here in order to reflect viability within an appropriate balance.

Residential development

27. We suggest that a suitable borough-wide charging rate for residential development would be £100/sq. m. This is as was consulted on in 2018.
28. In our view, overall this would be appropriate and would serve as well as an alternative approach that could also include a higher rate or rates for some circumstances (e.g. any greenfield or other lower values sites, straightforward housing developments in higher value areas, and potentially beneath the affordable housing policy threshold in some cases).
29. At £100/sq. m, rather than a potentially higher level, the rate is also considered suitable for application to town centre developments, particularly Bromley Town Centre, as well as for the more specialist housing developments such as for sheltered/retirement housing and extra care use.

30. Overall, the results analysis indicates that a range of potential CIL rates are supportable. As is usually the case in our experience, a level of judgement is required in selecting an appropriate approach overall, without introducing unnecessary complexity. The report therefore also notes a potential alternative approach that for example could include differentiation for Bromley Town or other centres, and as above potentially for other circumstances – potentially using a range of rates going either side of the suggested suitable borough-wide £100/sq. m level.
31. In practice, all sites and schemes will be different. Only a specifically set rate per individual development would respond fully to the potential range of issues and outcomes. Clearly such an approach is not realistic or necessary in CIL terms.
32. Overall, it cannot be certain that compared with a rate set at a level of c. £100/sq. m borough-wide, an apparently more targeted approach would actually be significantly more responsive or beneficial. While that might be more relevant were a suitable general rate being put forward at a much higher level, compared with the suggested flat-rate approach any differential would be relatively small in both in monetary terms and in the context of CIL as a modest proportion of development value of cost.
33. At c. £100/sq. m a CIL charge would represent a maximum of about 2.5% GDV in this borough context; more likely 1.5 to 2% GDV.
34. The added testing of purpose-built student housing and co-living accommodation typologies shows positive viability scope for CIL charging, with those typologies indicated as strongly viable prospects should they come forward in the borough. A suitable CIL rate for these developments being within the parameters £100 – 200/sq. m. A mid-range rate within this scope has been suggested. However, we have noted again that the local relevance and likely delivery of these and other forms of development may also be relevant considerations within the overall balance.

Commercial and other (non-residential) development

35. As is generally the case (not only a Bromley Borough factor) the scope of plan policies relating to residential developments is the key area where an individual planning authority's policy selections tend to have a significant influence on viability. Beyond more general policy enabling and development standards, the same does not apply to

such a significant extent in respect of all other forms of development, including for employment and commercial uses. For example, on such schemes there is currently no relevant policy area with any impact approaching the significance of affordable housing and other matters on a housing scheme.

36. In our experience, it is not unusual for most non-residential forms of development to show poor viability or at best mixed results within strategic viability testing or indeed at decision making stage. Generally, the same themes as were seen through the 2016 study assessment have come through again at this further review stage.
37. However, the report notes that poor viability outcomes as seen through the nature of this assessment do not necessarily mean that development will not happen. The particular drivers and interests of involved parties will ensure this in some cases, when this may be supported through flexibility in development appraisal inputs and negotiations. These are factors that we cannot assume in assessing viability suitably for informing CIL setting, however.
38. In this context, consistent with our view on residential, again we consider that the previous themes and rates identified in 2016 remain broadly appropriate, alongside information on suitable CIL charging parameters for other development uses that have now been looked at additionally.
39. As relates to CIL rates setting more widely it has been noted there is some room for pragmatism and for the selected approach to be informed by the evidence rather than needing to exactly mirror it, while remaining consistent with the guidance (PPG).
40. Overviewing the findings, this report puts forward the following guides for LBB's review on CIL charging rates as could be applied to other development uses – borough-wide basis:
 - **Larger format retail – i.e. foodstore/supermarket and retail warehousing developments** – The updated assessment indicates that the previous consultation CIL rate of £100/sq. m would remain appropriate for any developments that progress. An alternative might be to set a lower rate applicable to all retail, but with such an approach considered less responsive to other retail development types, as below.

- **All other retail developments** – Although a lower positive charging rate appears supportable in some other circumstances, overall our suggestion for retail other than that within the scope of A above is for LBB to again consider a nil-rate approach (charging at £0/sq. m). This approach would be relevant to the development of small convenience stores, comparison shops, restaurants, small shops generally and also covering any town centre retail – should such schemes come forward.
 - **All other development uses** – in terms of other non-residential development uses, including offices, industrial/warehousing, car showrooms, hotels, care homes and similar (all tested) we consider that a nil rate (charging at £0/sq. m) continues to be appropriate at this stage. This approach would also be appropriate for use with the much broader range of potential developments – i.e. for all other development uses. Again, this continues to reflect our previous findings in 2016 and is consistent with our recent and current experience of CIL viability work elsewhere.
41. Although the report also acknowledges the potential approach of a nominal/low CIL rate for all other development uses not charged specifically as above, with MCIL2 already in place in LBB’s case, overall we would advise caution in considering that as an alternative to nil-rating here.
42. DSP will be happy to assist LBB with any enquiries or further information required on any of these or other aspects as further progress is made with the Council’s CIL proposals.

Executive Summary Ends - Main report follows
Final Report Issue March 2020 (v2a)

1. Introduction and purpose

1.1 Introduction

- 1.1.1 Dixon Searle Partnership (DSP) is a highly experienced consultancy in the field of local authority development viability, its key consultants having been at the forefront of viability in planning for over 17 years and worked on viability matters with the Council since 2012. We have completed many assessments for a wide range of authorities having very varied local characteristics, with experience typically running through from study inception to examination of the policies or charging schedules.
- 1.1.2 Our day to day work enables a close familiarity with CIL, crucially including how it influences viability and interacts with affordable housing and other policies as a contributor to the collective costs of development.
- 1.1.3 The London Borough of Bromley (LBB) recently adopted its Local Plan (January 2019) and is now in the process of preparing a Community Infrastructure Levy (CIL) Draft Charging Schedule (DCS). The Council consulted on a Preliminary Draft Charging Schedule (PDCS) in March 2018 which was supported by viability evidence carried out by DSP and completed in November 2016² to support the Local Plan and begin informing the development of a CIL (based on available information and assumptions set in the preceding period).
- 1.1.4 The Council has now had the opportunity to review and consider responses received as part of the PDCS consultation. Following the progression of the Local Plan, the Council has commissioned DSP to carry out a CIL viability update review to consider the matters raised during consultation in the current context and using latest available information - to inform and support the proposed DCS.
- 1.1.5 The PDCS set out proposed CIL rates applicable to development in the borough as follows:

² Viability Assessment – Local Plan, AH and CIL (DSP14288) - (November 2016)

Use*	Charge £ per sqm
Residential C3	£100 per sq m
Retail Warehousing** over 1000m ²	£100 per sq m
Supermarkets/foodstore*** over 280m ² (3,000 sq ft)	£100 per sq m
Other forms of development****	£0 per sq m
These rates apply in addition to the rates set out in the Mayor of London's Community Infrastructure Levy Charging Schedule (currently £35 psq m for Bromley) plus the relevant BCIS rate.	

1.1.6 The PDCS proposals reflected the earlier DSP viability assessment work, as above. In relation to CIL specifically, the 2016 viability assessment identified residential charging scope of £100 potentially up to £125/sq. m. combined with the now adopted policy set, including 35% affordable housing (AH). Although we considered there to be potential options for differential rates to be set for certain localities (e.g. Bromley and potentially other town centres) this was not pursued at the time as it was determined that overall the added complexity would be not be sufficiently outweighed by the potential advantages or beneficial for the CIL yield. The delivery of a CIL is a strategic level tool which supports the plan and is able to provide a greater level of certainty both as to infrastructure funding availability and to the consideration of schemes by planning applicants/landowners. However, the nature of a CIL is such that there are often options and variations available to charging authorities. The authority is able to take a pragmatic approach, and the key driver is that a suitable balance should be struck between the desirability of funding infrastructure and the viability of development, viewed overall. The prospective charging authority does not have to follow the viability evidence exactly, but should be able to show how this has informed its selected approach.

1.1.7 The representations received as part of the PDCS consultation combined with further discussion with LBB, as well as the updated context, informed the following key themes for review as part of this update; and in turn led to considering any adjustments to the proposed charging set up:-

- Inclusion of the MCIL2 at £60/sq. m (increased from MCIL at £35/sq. m following our previous assessment work);
- Further consideration of site types and potential further differentiation;

- Reflecting this, an expanded range of development typologies including higher density development, build to rent housing, together with looking further at other matters such as the influence of varying development type and parking provision;
- Updating of other relevant assumptions.

1.1.8 This report sets out the review process outlined above and is accompanied by a number of Appendices that inform our recommendations / findings, including assumptions use in the updated appraisal modelling, the full results set (including for non-residential / commercial development typology tests) and the background market reporting on property values within the Borough.

1.1.9 This report relates only to CIL viability and should be read in conjunction with the original 2016 Local Plan, CIL and AH viability assessment. The detailed methodological explanations and their context will not be repeated here but given the passing of time this update report will cover key points and set out all the assumptions adopted within the further appraisal modelling.

1.2 CIL / Policy Backdrop

1.2.1 Local Authorities in England and Wales may put a CIL in place to raise funds from developers undertaking new development in their area (in this case LBB is and will continue to be the charging authority). This acts as an important tool for local authorities to deliver the infrastructure needed to support that development.³

1.2.2 The CIL regulations came into force in April 2010 and have been revised on a number of occasions since, with the most recent revisions (and revisions to the associated guidance) - The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 – having come into force on 1st September 2019.

1.2.3 In terms of headline areas (an outline only), the September 2019 changes brought in the following:

1. A requirement for councils to publish ‘infrastructure funding statements’. These statements will replace existing Regulation 123 lists and should include

³ <https://www.gov.uk/guidance/community-infrastructure-levy> Paragraph: 001 Reference ID: 25-001-20190901

details of how much money has been raised through developer contributions and how it has been spent. Statements must be published on local authority websites at least once a year. Councils will be required to publish their first statements by 31 December 2020.

3. A removal of the restrictions on the 'pooling' of section 106 planning obligations to fund infrastructure. Local authorities were previously allowed to pool no more than 5 developer contributions to fund a single infrastructure project. There is no longer an upper limit on the number of developer contributions (i.e. sourced from different developments) that can be pooled.

4. Local authorities may now charge a fee through section 106 to contribute toward the cost of monitoring and reporting on developer contributions. The regulations state that this fee should be "fair" and "reasonable" and reflect the authority's estimate of the cost of monitoring.

5. The requirements for local authorities to consult on CIL charging schedules before adoption have been reduced. Charging authorities will now be required to conduct a single round of consultation, rather than the 2 rounds previously required, with any further consultation now at the prospective charging authority's discretion. However, councils will also be required to conduct a consultation if they are considering stopping charging CIL, setting out the expected impacts and how any lost funding will be replaced.

6. Penalties charged on CIL-exempt projects, in cases where the developer fails to submit a commencement notice before the start of works, have been reduced. Certain developments are exempt or entitled to relief from CIL. In most cases, developers must submit a commencement notice to the charging authority before work starts or the exemption/relief is lost, and the full CIL amount has to be paid. The revised regulations instead stipulate that a surcharge equal to 20 per cent of the notional chargeable amount, or £2,500, whichever is the lower, will be charged if a commencement notice is not submitted.

7. In looking 'to keep the levy responsive to market conditions', the regulations state the indexing approach to be applied to CIL charging rates. From 1st

January 2020, the approach is now prescribed using the Building Index for CIL as will be published by the Royal Institution of Chartered Surveyors (RICS) annually in November, (in place of the All-in Tender Price Index (TPI) that was used prior to 2020).

8. In cases where planning permissions are amended, the regulations state that CIL should be charged on any additional floorspace at the latest indexed rate. The remainder of the floorspace will be charged at the rate that was in place when that element of the development was first permitted. Any decreases in the chargeable amount will be calculated on the basis of the rate charged when permission was first granted.

- 1.2.4 The scope of the latest CIL Regulations amendments and the nature of the most recent guidance update also effective 1st September 2019 (within the national Planning Practice Guidance (PPG)) is such that this assessment, as updated here and building on the earlier viability work, continues to appropriately reflect this latest context too. Prior awareness of the direction of changes had been in place, through the Government's consultation processes, and we consider that the study as now presented continues to be consistent with the approach envisaged by the guidance now in place. This assessment appropriately reflects this context.
- 1.2.5 The funds raised through a CIL are allocated towards infrastructure needed to support new development and specifically linked to infrastructure required to support development due to come forward under the now adopted Local Plan. Local authorities are required to allocate a 'meaningful proportion' of the levy revenue raised in each neighborhood back to those local areas.
- 1.2.6 Referred to as the neighborhood portion, specifically, 15% of the CIL receipts collected are to be spent in the area where development is taking place, in agreement with the local community. Where there is a Neighbourhood Plan in place, the locally allocated proportion of the CIL receipts rises to 25%. These principles are part of the nationally prescribed basis for operating a CIL, and do not influence the viability appraisals or conclusions.

- 1.2.7 An adopted CIL is payable on ‘*development which creates new or additional floor space where the gross internal area is 100sq. m or more*’⁴. The majority of development providing an addition of less than 100sq. m will not pay. For example, a small extension to a house or to a commercial / non-residential property; or a non-residential new-build of less than 100sq. m will also not be subject to the charge. Additionally, the Community Infrastructure (Amendment) Regulations 2014 provide for a mandatory exemption for residential annexes and extensions regardless of size. However, unless coming forward as a householder scheme (self-build) which is exempt from CIL subject to prescribed criteria, development that involves the creation of a new residential unit (such as a house or a flat) will pay the charge, even if the new dwelling has a gross internal floor of less than 100sq. m⁵. The latest 2019 amendments have not altered these points of principle, which are not aspects that any individual charging authority has an influence over.
- 1.2.8 Existing space that is in use is removed from the calculation of the chargeable amount under the CIL regulations. In many instances this will reduce the CIL liable floorspace and hence the scale of the levy liability. In practice this is a highly scheme-specific factor and so no allowance has been made for any such reductions in our appraisals process, although this effect will most likely reduce the viability impact of the levy.
- 1.2.9 Under the regulations, affordable housing (AH) and development by charities is not liable for CIL charging. This means that within mixed tenure housing schemes, it is the market dwellings that are liable to pay CIL at the rate(s) set by the charging authority. The CIL guidance within the PPG notes the areas in which the Regulations make a number of provisions for charging authorities to give relief or grant exemptions from the levy. Some types of relief are compulsory; others are offered at the charging authority’s discretion. Depending on the circumstances, the following forms of relief may be available:
- minor development exemption
 - exemption for residential annexes or extensions (an owner of a material interest in the main dwelling who occupies that dwelling as their sole or main residence may apply for the exemption).

⁴ <https://www.gov.uk/guidance/community-infrastructure-levy> (Paragraph 004 Reference ID: 25-004-20190901 Revision date: 01 09 2019)

⁵ Subject to the changes introduced in The Community Infrastructure Levy (Amendment) Regulations 2014 that provides a mandatory exemption for self-build housing, including communal housing.

- charitable relief, (an owner of a material interest in the relevant land which is a charitable institution can claim relief).
- social housing relief, which may be mandatory or discretionary (any owner of the relevant land who has assumed liability to pay CIL for the development may apply for the relief)
- self-build exemption (for a whole dwelling - any person who intends to occupy the new dwelling and has assumed liability to pay CIL for the development may apply for the exemption)
- exceptional circumstances relief

1.2.10 The CIL Guidance contained within the national Planning Practice Guidance (PPG) states that when determining CIL rates: *‘an authority must strike an appropriate balance between additional investment to support development and the potential effect on the viability of developments...this balance is at the centre of the charge-setting process’* and *‘in meeting the regulatory requirements, charging authorities should be able to show and explain how their proposed levy rate (or rates) will contribute towards the implementation of their relevant plan and support development across their area’*.⁶

1.2.11 To achieve this: *‘a charging authority should use an area-based approach, involving a broad test of viability across their area, as the evidence base to underpin their charge. The authority will need to be able to show why they consider that the proposed levy rate or rates set an appropriate balance between the need to fund infrastructure and the potential implications for the economic viability of development across their area.’*⁷.

1.2.12 The PPG Guidance on ‘Viability’ provides comprehensive information on what to consider on viability in Plan Making, with CIL viability assessment following the same principles. We confirm again that this study has been carried out in accordance with the relevant guidance.

1.2.13 Although we have not set out fully here the relevant sections of the guidance that are fundamental in the preparation of a CIL viability assessment, and that may be referred to separately for the detail ([https://www.gov.uk/guidance/community-infrastructure-](https://www.gov.uk/guidance/community-infrastructure-levy)

⁶ <https://www.gov.uk/guidance/community-infrastructure-levy> (Paragraph 010 Reference ID: 25-010-20190901 Revision date: 01 09 2019)

⁷ <https://www.gov.uk/guidance/community-infrastructure-levy#evidence-and-setting-rates> (Paragraph 020 Reference ID: 25-020-20190901 Revision date: 01 09 2019)

[levy](#)) some of the key points relating to the ‘appropriate available evidence’ used to inform the charging rate(s) are summarised below:

- An appropriate range of site types (or ‘typologies’) should be tested based on the range of site types likely to come forward for development over the relevant plan period (in this case the 2019 Bromley Local Plan);
- Costs within the viability assessment should be based on evidence reflective of local market conditions (see paragraph 012 of the ‘Viability’ Guidance);
- Land value should be based on the Existing Use Value of the site, plus a premium (known as the ‘EUV plus’ approach);
- A ‘viability buffer’ should be included so that the charges are able to support development through economic cycles;
- Differential rates can be applied if appropriate in relation to geographical zones (including for strategic sites) and/or by varying type and scale of development, although undue complexity should be avoided;
- There is no requirement for the charging authority to directly mirror the rate(s) proposed within the viability study. There is some room for pragmatism.

1.2.14 This study makes allowances for the cost to developers of policy compliance as per the Local Plan 2019, including providing affordable housing (AH) and other measures. These allowances are made in addition to testing the impact of a range of trial CIL charging rates from £0 to £300/sq. m (at increments of £25/sq. m) for the residential development testing. The commercial/non-residential testing has been reported at £15/sq. m CIL rate increments. It is important to note that the influence of the collective planning obligations cannot be separated and need to be viewed altogether in considering the cumulative costs of development within this type of assessment. The level of these cost factors influences the potential amount of CIL that development can viably bear. The extent to which s.106 will have an ongoing role also needs to be considered by the Council in determining suitable CIL charging rates, bearing in mind that CIL is non-negotiable.

1.2.15 Following the September 2019 changes, with the removal of the pooling restrictions on the use of s.106 agreements, it will also be important for the Council to keep in mind the greater flexibility in the potential use of those balanced with CIL as may be appropriate. This approach will help to ensure that the Council maximises the level of funding for essential infrastructure across the borough. Notwithstanding that

significant elements of infrastructure costs historically or currently sought through s.106 will be subsumed into the scope of the CIL, potential s.106 costs have also been factored in to the modelling alongside the CIL tests at a contingency level of £3,000/dwelling (all dwellings) – as is noted within the assumptions detail (see following section 2 and Appendix I).

1.2.16 In addition, national planning policy and guidance has been evolving recently in other ways that are relevant to consider for this project. The requirement to consider viability stems from the NPPF (National Planning Policy Framework, as further updated 2019) which says on ‘Preparing and reviewing plans’ at para 31: *‘The preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals’.*

1.2.17 NPPF para 34 on ‘Development Contributions’ states: *‘Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the plan.’*

1.2.18 The currently relevant PPG section on ‘Viability’ (as refreshed with new content in July 2018 alongside the renewed NPPF and also most recently updated 1st September 2019 in some respects) provides more comprehensive information on considering viability in Plan Making. CIL viability assessment follows the same principles (as they are still set out through the ‘Community Infrastructure Levy’ section of the PPG, as noted above). On Viability the PPG states:

‘Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure).

These policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost

implications of the Community Infrastructure Levy (CIL) and section 106. Policy requirements should be clear so that they can be accurately accounted for in the price paid for land. To provide this certainty, affordable housing requirements should be expressed as a single figure rather than a range. Different requirements may be set for different types of site or types of development...Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan'

1.2.19 As part of the updated review context, in addition to the national policy backdrop, the current adopted London Plan (dated March 2016) has been under review, with the new plan having undergone Examination in Public (EIP) recently. The Panel of Inspectors' report was released in October 2019, at the time of finalising the assessment work for this study. As at April 2020 in responding to the Secretary of State's concerns, the Mayor noted an aim to publish an amended version Plan as soon as possible (at the time aiming for Summer 2020), reflecting adjustments for some but not all of the matters raised in that dialogue.

1.2.20 The emerging London Plan policies have been taken into account as part of this viability assessment. Subsequent to the above noted latest on the London Plan, however, any subsequent modifications, understood as still not fully settled, have not been considered therefore.

1.2.21 As above, the Mayor of London has adopted a new CIL charging schedule ("MCIL2") in February 2019 and the relevant charges have been included as a fixed cost assumption within our assessment. At the time of the 2016 viability assessment, the MCIL1 was applied at the then applicable LBB rate of £35/sq. m. That previous input has now been updated to the MCIL2 rate of £60/sq. m for all development in Bromley Borough⁸. This updating also reflects an element that was noted in the representations made to the Council's PDCS (details as per 1.1.5 above).

⁸ Since this assessment was carried out, the Secretary of State written to the Mayor directing required changes to the London Plan and we understand the Plan is being further considered before resubmission for approval. https://www.london.gov.uk/sites/default/files/letter_to_the_mayor_of_london_13_march_2020.pdf

1.3 Project Purpose & Scope

- 1.3.1 ‘Viability’ as addressed by this assessment update in the context of the LBB proposed CIL means the financial “health” of development, so that the assessment is all about the strength of the relationship that is available between the completed development (sale) value and the development costs; and how the strength of this relationship varies across a range of development types, site types and locations as the CIL trial testing is applied. This is reviewed with reference to the local characteristics and types of sites expected to come forward in the LBB CIL context of supporting planned development (based on the adopted Local Plan 2019). Responses from the PDCS consultation have also been considered in the updating undertaken for this assessment.
- 1.3.2 The assessment is carried out using a well-established methodology and principles as set out in detail within the 2016 DSP report, the full extent of which is not repeated here. In summary, however, the strength of the value:cost relationship, and how this varies through a range of influences, is tested through modelling using many development appraisals (in total usually thousands in number) that are run using residual valuation techniques. This involves assessing how much money may remain (hence ‘residual’) for land purchase after all the development costs (including reasonable developer’s profit) have been deducted from the development sale proceeds. The following report sections, under 1.4 below, set out how this update has been conducted in terms of the elements that have been added or revised – the approach taken, and updated assumptions used.
- 1.3.3 Judgements are then made about whether the appraisal residual land value (RLV) outcomes are likely to be sufficient to secure the release of a variety of site types (sale by landowners) for development. This is done by using benchmark land values (BLVs) or similarly termed ‘viability tests’ against which the appraisal RLVs are then compared. The PPG now clearly emphasises the use of “EUV+” (Existing use value plus an appropriate uplift) as the basis for the BLVs, consistent with DSP’s settled approach to these assessments.
- 1.3.4 It is important to note that this approach does not require a detailed viability appraisal of every site anticipated to come forward over the remaining plan period but rather

the testing of a range of appropriate site typologies reflecting the potential mix of sites likely to come forward.

- 1.3.5 Accordingly, the appraisals are based on a range of test scenarios using assumed developments that are considered suitably representative of development types coming forward in the borough ('typologies'). This involves making a wide range of carefully considered assumptions, used as the appraisal inputs; supported by other evidence and available information, research and experience. These assumptions and typologies were shared with the Council prior to the appraisal modelling phase, to agree an appropriate basis from which the potential charging scope should be tested alongside other variables (e.g. property and land values) and, as above, also reflecting all other relevant development and policy related costs.
- 1.3.6 The adopted typologies for this update have been based on the previous 2016 study, to which we have also added a number of new typologies following comments arising from the PDCS consultation (around larger, higher density schemes as noted above) and overall aimed to reflect a cross-section of sites delivery in the coming years. The typologies (scheme types) appraised reflect our consideration with the Council of the experience of previous and current developments, as well as a review of the nature of schemes expected. Again, section 1.4 below provides more information. The typologies are set out in section 2.1 below however for ease of reference, are as follows:

Scheme Size Appraised	Type	Site type	Density
1	House	PDL (suburban)	35
5	Houses	PDL/GF (suburban)	35
5	Flats	PDL (suburban)	75
10	Houses	PDL/GF (suburban)	40
10	Flats	PDL (suburban)	75
15	Houses	PDL (suburban)	40
15	Flats	PDL (urban)	75
30	Houses	PDL (suburban)	40
30	Flats	PDL (urban)	75
30	Flats (Sheltered)	PDL (urban)	125
50	Flats	PDL (urban)	200
60	Flats (Extra Care)	PDL (urban)	125
50	Mixed	PDL (urban)	55
80	Flats	PDL (urban)	200
100	Mixed	Potential Greenfield / PDL (suburban)	55
120	Flats	PDL (urban)	250
200	Flats	PDL (urban)	300
500	Flats	PDL (urban)	300
800	Flats	PDL (urban)	300

1.3.7 The range of tests then help us to consider the influence on the RLVs (and therefore on viability) of changes to the main likely variables i.e. key factors such as sales value, build costs by scheme type and land value (varying EUV (existing use value) based benchmarks - BLVs). Reviewing viability across different potential circumstances (effectively as a series of “what-if” type tests) provides a range of results that allows us to consider and inform discussions with the Council on any revised or additional findings, leading to any changes that may need to be considered relative to our previous CIL findings scope and recommendations - such as any further need for differential charging rates, for example.

1.3.8 CIL rates are a key component contributing to the collective costs of development, and as part of this high-level study, we have tested the potential impact of a range of CIL charging rates (including the existing indexed rates). However, as this involves adding cost to the appraisals iteratively, this cost could also be viewed in other terms, for example by showing the tested CIL rate assumptions in £/dwelling terms or similar, if relevant.

1.3.9 Consideration should be given to avoiding setting the CIL charging rates to the margins of viability, especially given that, once implemented, the charging will be fixed (non-

negotiable) and will impact at indexed rates alongside all other development costs and requirements - including the first top-slice from the MCIL2 here. This involves appropriate assumptions setting, for the purpose, within the viability assessment; including the recommended use of a “buffer” factor⁹ to pull-back the rates, usually significantly, from the potential maximum theoretical levels that may on first sight look achievable. The recommended parameters for considering in LBB setting its charging rate(s) are based on CIL at approximately 50% of the maximum amount theoretically viable. In other words, we test viability on the assumption that double the amount of CIL could in theory be supported whilst reaching the relevant benchmark. This means that the recommendations are at approximately half the level of the potential maximums (hence we refer also to ‘halving-back’) which approach is as per 2.2.2 below and carried through the review of results in the subsequent reporting.

1.3.10 Accordingly, a prudent approach is taken, consistent with the PPG CIL guidance with at para. 020 (as revised 01 09 2019) states: *‘A charging Authority’s proposed rate or rates should be reasonable, given the available evidence, but there is no requirement for a proposed rate to exactly mirror the evidence. For example, this might not be appropriate if the evidence pointed to setting a charge right at the margins of viability. There is room for some pragmatism. It would be appropriate to ensure that a ‘buffer’ or margin is included, so that the levy rate is able to support development when economic circumstances adjust.*

1.3.11 Continuing the now well-established principles, according to the PPG (May 2019 and subsequent September 2019 revision), differential CIL rates may be appropriate in relation to geographical zones, types and scale of development. It goes on to state that: *‘A charging authority that plans to set differential rates should seek to avoid undue complexity. Charging schedules with differential rates should not have a disproportionate impact on particular sectors or specialist forms of development. Charging authorities may wish to consider how any differential rates appropriately reflect the viability of the size, type and tenure of housing needed for different groups in the community, including accessible and adaptable housing, as set out in the National Planning Policy Framework’¹⁰*. With this in mind, we will consider the

⁹ As a guiding general starting point, we consider CIL rates at approximately 50% of the maximum amount theoretically viable. In other words, we review viability on the assumption that about double the amount of CIL could in theory be supported. The exact amount of buffering between the potential scope and the recommended parameters for charging rate(s) will of course vary and be specific to a particular test or scheme.

¹⁰ <https://www.gov.uk/guidance/community-infrastructure-levy#evidence-and-setting-rates> (Paragraph 021 Reference ID: 25-021-20190315 Revision date: 15 03 2019)

appropriateness or otherwise of setting differential CIL rates by location and / or site type.

- 1.3.12 Ideally, however, a CIL should be set out and be capable of being operated as simply as possible, as discussed and recommended within our previous viability assessment and which approach is considered consistent with the guidance – as above. So, the suitability of a single charging rate approach (for residential development at least) should be the starting position in our view. Then from that point it is case of bringing in the consideration of differential rates and alternatives if necessary - i.e. considering whether the range of characteristics and values found available to support viability overall be shown by the evidence to be too great to be workable with a single suitably set charging rate. In the LBB context, as noted earlier, a number of responses from the PDCS consultation were around the theme of consideration of differential CIL rates. We have reviewed this further as part of this update assessment.
- 1.3.13 An extensive review of available information, and current LP policies together with an updated values and cost research analysis phase has led to the setting of updated assumptions for base level testing using main appraisal sets; as well as some additional sensitivity tests e.g. looking at the influence on viability of including basement car parking. This included a review of the LBB policies as set out in the recently adopted Local Plan alongside the Draft London Plan, identifying those that are considered to directly influence development costs and which therefore have an impact on the viability of development.
- 1.3.14 In addition to the policies that influence development costs (with reference also to the London Plan¹¹), there is also the relevance of the adopted Local Plan spatially, with respect to the site and scheme types that will be most relevant overall (i.e. locations and development types most relevant to consider in setting the CIL rates). This effectively involves an overlay of our findings with the expected development supply pattern – so that in coming to an appropriate balance overall, the CIL charging authority is not just considering the viability information in isolation. On this, the Local Plan sets out the vision and objectives for the borough over the plan period. In summary, the key focus for the spatial development strategy remains as described within the 2016 work, but for completeness includes the following:

¹¹ We note that since this assessment work was carried out, a new London Plan target has been proposed – however this is not likely to require wholesale change in the spatial approach and therefore the site typologies used in this study are likely to remain relevant.

- Requires at least 641 dwellings per year (2015-2025) and provision of floorspace and land to accommodate employment growth;
- Designates Bromley Town Centre as an Opportunity Area and Metropolitan Town Centre alongside Orpington (Major Town Centre), with five District Centres alongside Biggin Hill and Crystal Palace as potential Strategic Outer London Development Centres. Cray Valley has also been identified as a Strategic Industrial Location.

1.3.15 An overview of the assumptions setting (for appraisal inputs) is provided in Appendix I to this report. Building on earlier reporting stages and following discussion with the Council, we continued to modify and refine aspects of this and indeed all the other information in finalising this report. While, appropriately, this is all undertaken at a high-level, the continued review of information and details used aims to keep the work and the presentation of it as topical as is practically possible, ensuring an appropriate and robust process for the study purpose.

1.3.16 Appendix IIa (residential), Appendix IIb (Build to Rent) and IIc (commercial/non-residential) in each case shows the appraised scenario RLV results set out in tabled form according to the main variables reviewed and allowing the trends within these to be seen quickly. This will be considered further below. Appendix III contains the wider economic / market and local property market and values context.

1.4 Appraisals Scope

Residual valuation principles / Methodology

1.4.1 This assessment has been carried out in the context of the NPPF (July 2018, as updated 19 February 2019) as well as the PPG (updated in May 2019 and subsequently with effect from September 2019). The NPPF as now updated remains very high level in regard to viability directly but retains the well-established principle on 'development contributions' that: '*Such policies should not undermine the deliverability of the plan.*' The PPG provides useful guidance on plan preparation in regard to viability and contributions. Although this guidance is still relatively new at the point of preparing this assessment, DSP considers that its approach to and experience of LP and CIL strategic viability assessments remains appropriate – this project has been approached

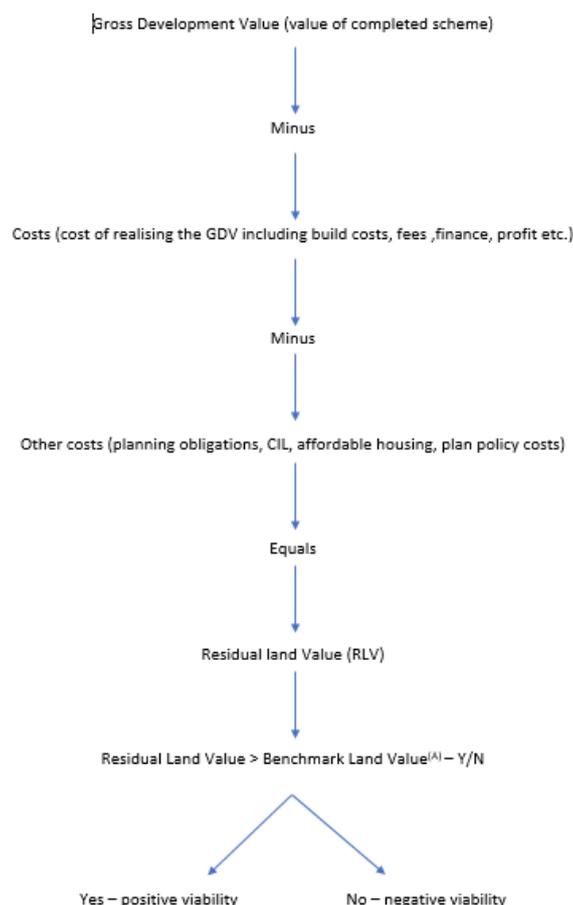
in a manner consistent with the updated guidance, aided by checking and continually considering the detail and new developments / any other guidance or emerging decisions etc. as work has progressed.

- 1.4.2 Undertaken as it has been, this assessment now responds to not only the former NPPF and need to consider viability but is also consistent with the latest NPPF and accompanying PPG on Viability, with the NPPF no longer containing any reference to competitive returns to a willing land owner and willing developer.
- 1.4.3 In running this study, we have had regard to policy costs based on those contained within the adopted Local Plan and, for assumptions building, having regard as necessary to those set out in the revised emerging London Plan. By doing so we are able to investigate and consider how these obligations interact and estimate the collective impact on viability in connection with potential CIL rates. This is in accordance with established practice on reviewing development viability at this strategic level, and consistent with the requirements of the NPPF and PPG.
- 1.4.4 Prior to fixing assumptions, necessarily at a point in time, and running appraisals (as outlined in the following paragraphs) we undertook an extensive information review, property market research and a development industry stakeholders' survey. As a part of this, a review of the adopted policy basis enabled us to assess which are considered likely to have a particular development cost impact, or additional cost implications over and above usual costs of development (for example utilising costs information from established sources such as the Building Cost Information Service of the RICS (BCIS)). In addition to a summary of the assumptions used, Appendix I to this document also includes a policy review schedule indicating the view taken with respect to the policy impacts as applicable for reviewing CIL at the time of this assessment.
- 1.4.5 Residual Valuation supports the most established and accepted route for assessing development viability at a strategic level, including for CIL viability, as in this case. The approach and principles used are consistent with those typically relied on for whole plan and CIL viability assessment, as have been supported through examination on many occasions (including assessment work by DSP over a period of years through to a range of recent cases, with positive outcomes). This is also consistent with the "Harman Report¹²" on viability testing local plans and other relevant guidance that we

¹² Local Housing Delivery Group – Viability Testing Local Plans (June 2012)

have also taken account of in conducting similar assessments over the last several years. As a reminder from the earlier work, Figure 1 below (see following page) sets out the residual valuation principles in simplified form:

Figure 1: Simplified Residual Land Valuation Principles



(A) Also known as Threshold Land Value

(DSP: 2019)

1.4.6 Having allowed for the costs of acquisition, development, finance, profit and sale, the resulting figure indicates the sum that is potentially available to pay for the land – i.e. the residual land value (RLV).

1.4.7 In order to guide on a range of likely viability outcomes the assessment process also requires a benchmark against which to compare the resulting residual value. Our assessment work (both on strategic projects and for a wide range of DM stage viability reviews) has for some time reflected the move towards a clearer “EUV plus” based approach to the all-important consideration of land values – for the assessment of ‘benchmark land values’. This is consistent with the PPG.

- 1.4.8 The level of land value sufficient to encourage the release of a site for development is, in practice, a site specific and highly subjective matter. This is not unusual and certainly not a London Borough of Bromley specific factor. We have reviewed a range of reporting to inform our assumptions and judgements in this regard, building on those considered as part of the original 2016 study. The above-mentioned element of ‘buffering’, to ensure there is some other scope to support viability given the range of costs that could alter over time or with scheme specifics, is an important consideration that is also considered in reviewing the likely workable CIL levels.
- 1.4.9 Further commentary on the range of assumptions (as updated) that have been used within the RLV appraisals process is provided in this chapter – see below. The emphasis on this, however, is on what has changed since the earlier work and not a full run-through of all assumptions (again, further information on the wider set is also available at Appendices I and III). They reflect the local markets through extensive further research on local values, costs and types of provision, etc.
- 1.4.10 During the course of the 2016 study, we consulted with the Council’s officers and sought soundings as far as were available from a range of local development industry stakeholders. This information remained useful combined with an up to date review of the market including latest market soundings from local agents. This process is informed as far as practically possible by the review of available information and making an overview from that ensuring an appropriate basis for appraisal modelling. The response received following the PDCS consultation has also acted as a useful further stage input by a range of stakeholders, also informing our study assumptions. This combined approach over the wider project cycle reflects the expectations of the planning policy guidance.

Updated assessment context

- 1.4.11 The following sections provide updated assessment context, revised assumptions as well as the general overall approach, building on and updating those from the original study in 2016. This all relates to the specific study purpose of reviewing the previous CIL rates consulted on at PDCS stage rather than any other wider purpose.
- 1.4.12 At the point of carrying out the 2016 study, there was a continued positive market sentiment in the Bromley borough whilst the UK economy as a whole had continued

to gradually pick up following a significant period of recession. This trend looked set to continue with forecasts indicating the prospects for house price inflation of up to around 15-20% by the end of 2021 in London and the South East.¹³

1.4.13 Despite the ongoing political and economic uncertainty surrounding the UK's decision to leave the European Union, Savills¹⁴ continued to report significant increase in buyer confidence in the first quarter of 2019, following a relatively static UK-wide house price picture with some positive upward movement in the South East region. Although this positive sentiment is yet to confidently translate into transactions across wider the areas of the UK, our own extensive market research indicates an increase in house prices in the Bromley context of approximately 18% as a broad overall picture since the period during which the information was collected and analysed for the 2016 study assumptions. Of course, it is acknowledged that this is a moving picture in reality – an appropriate range of assumptions needs to be made at a certain stage.

1.4.14 Continuing to looking at this on putting together and writing-up the assessment, the level of ongoing confidence in the market and strength and stability of house prices moving forward will most likely remain relatively uncertain, however, given the as yet unknown implications of the UK leaving the European Union, amongst other matters. However, at the point of setting assumptions this time, the values forecasting by Savills¹⁵ for example continued to indicate increases in house prices over the next 5-years at 4.5% in London and 9.3% in the wider South East region, and our background research to this study appeared at the assumptions review stage to support this indication of the potential moving ahead. Indeed, the forecasts remain over continued house price growth overall, looking ahead. Whilst over the assessment (appraisals) period, we were seeing a slowing of the market getting underway generally, induced primarily by the Brexit related uncertainty, of course subsequently the onset of the Coronavirus (COVID-19) pandemic has become a dominant factor. Nevertheless, it is not appropriate to project only negatively – a balanced view needs to be taken and the very latest signs in the late Spring-Summer of 2020 on final report issue are of mixed market reporting overall, with residential values holding-up better than expected in many cases and at least an element of surprisingly positive market sentiment amongst

¹³ Savills – Residential Property Focus (2015 Issue 3)

¹⁴ Savills – Market in Minutes: New Homes and Buyer Sentiment (June 2019)

¹⁵ Savills – Residential Market Forecast Report (Autumn 2018)

this complicated, emerging picture. At the time of final writing, only time will tell how this pans out.

- 1.4.15 The information used to inform the relevant section below, has been obtained from well-recognised sources, which are also freely or readily available in the main and therefore open for further review or the application of indexing or similar. In our experience this provides a suitable and robust approach for the purpose here, and importantly it means that the Council could further update / review elements of the assumptions over time, or consider the wider results range presented – for example as the market moves or as development patterns / policy emphasis or similar influences change.

Updated Scenario/typology tests

- 1.4.16 A large number of appraisals have been carried out using the principles outlined above to review the viability of different types of residential and commercial/non-residential use types in the borough area. The scenarios and assumptions used build on those originally tested as part of the 2016 study. This follows a review of up to date information on the nature of local developments from both evidence and monitoring sources (e.g. monitoring reports, 5-year housing supply, SHMA, s106 monitoring etc.) and the anticipated site supply. It also reflects further discussions with the Council around the recent local delivery experiences and in response to the CIL PDCS consultation stage as well as the progression of the Plan to adoption. For the purposes of CIL, it may also be useful for charging authorities to keep in mind the potential to review an adopted charging schedule when considering evolving circumstances, which may include the relevance of development coming forward across the borough over the anticipated lifetime of a charging schedule compared with that of the Plan overall.
- 1.4.17 This high-level approach is appropriate and as expected by the available guidance. In any event, it is important to note that this is not site-specific level work that necessarily reflects outcomes that will be seen on individual schemes as those come through at planning application stages under a variety of circumstances. However, we have had reference to the experience of delivery, specific sites and the Plan proposals as part of the development of the typologies. We are making a strategic overview here, which may be kept under review as the Council's planned delivery progresses.

- 1.4.18 The appraisal results (as set out at Appendix IIa to this report) represent development scenarios from 1 to 800 new dwellings on a typology basis (expanded from the 2016 study range covering 5 to 100 dwellings), comprising a mixture of houses based developments, flatted schemes as well as ‘mixed’ development types (comprising a mix of houses and flats). There is now a greater emphasis on flatted development at the upper end of the scheme size typologies range here – overall a range of testing scope agreed with LBB to inform a review of whether the previously recommended (published PDCS) rates remain appropriate, and any updating or alternatives that might be considered. The expanded approach to the updated review here was also considered reflective of representations received by LBB at the PDCS stage consultation.
- 1.4.19 Allied to the above, we have also reviewed relevant information from appropriately available evidence relating to those sites identified in the Local Plan and within the Bromley Town Area Action Plan (AAP) as a key area for future housing supply. We understand that the Council will be providing further guidance on Bromley Town centre, and the existing Bromley Town AAP is currently under review; however we have aligned some of our typologies to reflect the different characteristics expected to be seen from development in this key location e.g. including larger scale and higher density flatted development.
- 1.4.20 Within this context, this update considers the potential sensitivity of outcomes to for example added development costs through a potential need to provide basement car parking in some instances, as a potential element of more complex and costly development characteristics. At the time of considering the approach and assumptions, this has been considered appropriate. We note, however, that the latest London Plan policy developments, including on other policies relating to car usage and other factors, could see car-free or reduced parking considered in the case of some developments with such additional development costs perhaps not needing to be accommodated.
- 1.4.21 The review of the commercial scheme scenarios was approached in the same way as above – building on the scenarios tested as part of the 2016 study. Similarly, this was also informed by updated review of information supplied by and consultation with the Council. The same methodology applies to the commercial appraisals, in terms of the

approach and principles used both in appraising those and considering the RLV outcomes. Again, Appendix I sets out the typologies used, together with the assumed development values and costs. Clearly there is a wide range of commercial schemes and great variety within those that could be developed over the lifetime of a CIL charging schedule. However, variety in scheme detail is a characteristic shared by the wide range of residential development forms. It is also a feature of a CIL that the levy cannot realistically respond fully to such variety, and so needs to be set at a level or levels that will largely be workable across the sites and schemes most relevant the Plan delivery overall. To reinforce this point made above, it follows that alongside viability, it is also relevant for the Council to consider the likely frequency and distribution of various forms of development, and their role in the delivery of the plan overall.

1.4.22 Appendix IIa sets out the residential appraisal results to date by increasing development size (number of dwellings within each assumed scenario). For each scheme typology the results relate to the tests carried out in accordance with the LBB adopted policy basis with 0% AH on sites of 1-10 dwellings and 35% on sites of 11+. However, in line with the revised NPPF based national policy threshold on affordable housing we have tested 35% AH from 10 dwellings, this being the lowest point at which the policy would impact in combination with CIL and other factors and consistent not only with the NPPF but also with the 'major development' (i.e. 10+ dwellings) based policy threshold in the Draft London Plan.

1.4.23 Each table set provides RLV results by residential typology in both absolute RLV form (£s) and then expressed in £ per hectare terms (RLV £/ha) – these are calculated based on the indicative density and approximate land-take assumptions used. Each absolute RLV outcome (£RLV) within the Appendix IIa tables has an appraisal sitting behind it. This allows us to consider comparisons with both land value benchmarks in £/ha and potential site purchase figures/plot values (in £ sums) that the RLVs support in each case. The green shading overlaying the £/ha RLVs within Appendix IIa results tables are linked to the adopted Benchmark Land Values (BLVs) i.e. 'viability tests' – the bolder the green colour shading, the stronger the results are as they meet the higher benchmarks. Further information is provided later on in this report. The strength of the results improve when reading left to right across the table with increased assumed property value levels driving those – VLs (i.e. Gross Development Value (GDV) of the scheme) and decreasing when reading down as the trialed level of LBB CIL increases (tested in small steps from £0 to £300/m²).

Gross Development Value - Residential Value Levels (VLs) & Site Supply

- 1.4.24 The assumed property Value Level (VL) scale used in the updated testing has been applied to each scenario and increases from VL1 (lowest) to VL10 (highest) reflecting an overall range of £4,000 to £6,700/m², representative of varying new-build sale prices likely to be seen by varying location in the borough. Overall, we consider the key new build property values – i.e. the most relevant range to housing delivery overall here – to be £4,900/m² to £6,100/m², which are represented by VL4 to VL8.
- 1.4.25 Given the passing of time since the research undertaken to inform the earlier study, these VLs have been informed by an updated extensive property market research exercise across the borough. Building on the 2016 research basis, this used resources such as Land Registry Sold Prices and index trends together with the use of on-line property search engines such as Rightmove and Zoopla. This data collection phase considered both re-sale and new build property, collected by ward areas within the borough, which we considered to be the most appropriate and reflective framework for this extensive data collection and subsequent analysis to inform assumptions. This review method enabled us to view how the value patterns and levels observed at this update stage overlay with the areas in which the most significant new housing provision is expected to come forward.
- 1.4.26 Overall, this research indicated some significant variations in values when considering the whole picture – a common finding within many local authority areas, in our extensive experience of such studies, whereby different values are often seen even at opposing sides or ends of roads, within neighborhoods and even within individual developments dependent on design, orientation etc. Values patterns are often indistinct and especially at a very local level. However, in this study context we need to consider whether there are any particular variations between localities (e.g. wards or other geographical areas) in a broader overview sense, including where significant development may be occurring and particularly over the likely lifetime of this first proposed LB Bromley CIL charging schedule (again, regarding relevance to the related Plan delivery viewed overall).
- 1.4.27 The table below provides an indicative guide to the relevance of the range of the VLs to locations within the (based on ward areas).

Figure 2: Indicative relevance of VLs to locations by ward area

VL1	£4,000	Low-End New Builds	Cray Valley East Cray Valley West	Biggin Hill	Chesfield & Pratts Bottom Bickley Copers Cope Bromley Town
VL2	£4,300				
VL3	£4,600				
VL4	£4,900	Typical New Builds Range	Darwin Mottingham & Chislehurst North	Orpington Farnborough & Crofton Plaistow & Sundridge Hayes & Coney Hall West Wickham Kelsey & Eden Park Bromley Common & Keston	Bromley Town Centre (BTC)
VL5	£5,200				
VL6	£5,500				
VL7	£5,800				
VL8	£6,100				
VL9	£6,400	Upper End New Build Range			
VL10	£6,700				

(DSP: 2019)

1.4.28 On review of the Council’s adopted Local Plan and accompanying information base, we understand the majority of housing delivery, in terms of quantum of new dwellings planned, is expected to take place in Bromley Town ward; including a significant quantum set to be within Bromley Town Centre. This is followed in significance for the planned growth overall by Crystal Palace, Cray Valley West and Orpington wards and then subsequently Copers Cope, Kelsey and Eden Park and Farnborough and Crofton wards. As described at 1.3.12, the adopted plan designates these as key areas for growth over the plan period with particular emphasis on Bromley town centre and Crystal Palace. Analysis from our research indicates that within most of these key ward areas, the likely relevant sales values available to support viability range from VL6 £5,500/m² to VL8 £6,100/m² i.e. the mid to upper end of our suggested typical new build property values range, with the exception of Cray Valley and Biggin Hill which indicate typically lower values beneath the above range – more likely at or around VL3/4. Our VLS range and appraisals are set up and reviewed accordingly, so that we

can see how the outcomes for the typical / most relevant areas of the VLs range look within the overall results sets, and how variation either way affects outcomes (sensitivity to changing gross development value - GDV (as represented by the VLS range)).

1.4.29 Although Bromley Town ward broadly supports values consistent with this range, we can see there are also indications of some higher values in Bromley Town Centre - at the upper end of or above this range (indicated by values up to VL7/8+) but with the whole of this range being relevant overall in terms of supply and delivery. As a general overview, we consider higher values (represented by VL6-8) to be achievable across most of the western and central parts of the borough, including most of the less developed (non-urban) areas. Typically, lower values for this expensive borough (i.e. on a relative basis) are generally clearly seen in parts of the far north, north-east (Cray Valley and Orpington areas) and in the south west (Biggin Hill). This broadly corresponds with the value patterns observed and discussed as part of the 2016 completed study, indicating that although house prices have moved on from the previously assumed levels, the overall patterns and relativities found then remain relevant now across most of the picture.

1.4.30 As outlined above, we understand the majority of housing coming forward over the adopted plan period is predominantly on PDL and occurring in Bromley Town ward, Crystal Palace, Cray Valley West and Orpington. The nature and type of housing development planned for in Bromley town centre (i.e. predominantly high density flats) in particular may need closer consideration around whether potential CIL differentiation is necessary or appropriate, and this may also extend to LBB's review of whether similar should also be considered for other borough centre locations. This relates to the typically higher existing use values that are likely to be reflected in the viability of some of the sites, as well as development costs that can be reasonably expected to be relatively high. However, in our view, the need or otherwise for any differential within the overall CIL set up will be significantly influenced by the level at which a headline rate or rates are placed. We consider that if a single rate approach is not set too high and allows for varying viability by being set comfortably within the potential scope, then this may be equally responsive and no less appropriate to a differential rate(s) approach – with high sales values available to support development across the borough. This may be viewed alternatively as not differentiating upwards for some circumstances, rather than needing to differentiate downwards for some. As

noted above in the London Plan context too for example (on car parking or other matters), not all potential influences playing into the Council's judgments around the balance to be struck for the local circumstances will necessarily be negative either.

1.4.31 The following sections outline the key areas of the testing approach and assumptions, carried out across the range of value levels (VLs) and trial CIL rates tests as noted above.

Gross Development Value – Commercial / Non-residential

1.4.32 The value (GDV) generated by a commercial or other non-residential scheme can vary greatly by specific type of development and location. As with the residential scenarios tested, a range of assumptions need to be made with regard to the rental values and yields driving the level of completed scheme values that are used with the various development costs applied within each commercial scheme appraisal – applying the same methodology described previously.

1.4.33 Broadly, the commercial appraisals process follows that carried out for the residential scenarios, with a range of different information sources informing the values (revenue) related inputs – again building on those described as part of the 2016 study assumptions. Data on yields and rental values (as far as possible) was from a range of sources including the VOA, Co-Star and a range of development industry publications, features and websites. Again, Appendix III sets out more detailed information.

1.4.34 The assumptions also within Appendix I (set out after the residential assumptions) include the assumed rental values for each development typology, re-tested at three levels representative of low (L), medium / mid (M) and high (H) new build values in the borough, enabling us to also assess the sensitivity of the viability findings to varying levels of value again. In addition to the assumed rental values, Appendix I also sets out associated yield % (tested across a range again) and development costs assumptions.

1.4.35 Consideration of the representations received by the Council following the PDCS consultation resulted in the inclusion of additional scenarios reviewed alongside the commercial / non-residential development typologies as follows:

- Student Accommodation - 100% cluster and studio product typologies;

- Co-Living, following a similar model to student accommodation – including enhanced communal space and additional facilities

1.4.36 As with other study elements, the particular assumptions used will not necessarily match scheme specifics and therefore we need to look instead at whether / how frequently local scenarios are likely to fall within the potentially viable areas of the results.

Affordable Housing (AH)

1.4.37 To recap, we have applied the current affordable housing policy as set out in Policy 2 of Bromley’s adopted Local Plan – i.e. at 0% AH on sites of 1-10 and 35% on sites of 11+ dwellings, or where the residential floor space is more than 1000 sq. m. As above, the effect of the AH policy is expected to be at 10+ dwellings, given the NPPF and London Plan positions.

1.4.38 The assumptions have been set and appraisals carried out based on the adopted policy set informed by the latest SHMA – the same evidence base considered as part of the wider 2016 completed Local Plan & CIL viability study. On this basis, our appraisals assume a tenure mix of 60:40 in favour of affordable rent over intermediate tenure (assumed in the form of shared ownership). In addition, the new NPPF (as updated 2018 - para. 64) requires at least 10% of new homes to be provided as ‘affordable home ownership’ (AHO) products as part of the overall affordable housing contribution from the site on all major developments (i.e. 10+) and by virtue of the AH tenure mix approach taken, this has been included within the overall dwelling mix proportions as part of the appraisal testing, although necessarily on a “best fit” type basis along with the other ingredients of the assumed dwelling mixes. At the time of writing the Government has proposed a ‘First Homes’ (first time buyers) initiative/targeted tenure form, the details of which are unknown. Assuming this relates to a discounted market sale route or similar, then we consider that can reasonably expect this not to have a negative impact on viability relative to the existing understanding of ‘affordable housing’ secured through s.106 planning agreements.

1.4.39 As above, we have therefore tested the adopted AH requirements of 0% and 35% dependent on relationship with the 10 dwellings threshold and bearing in mind that the CIL will take effect on all new dwellings from 1+ (except in the case of exemption

self-builds). It is important to note that outside the operation of the market itself, affordable housing is amongst the largest influences on development viability and its inclusion has a significantly greater impact than a CIL. This is because affordable homes cost broadly the same as market homes to build but provide development revenue at around half of the market sales values overall, when the mix of tenure including affordable rented is taken into account.

- 1.4.40 At this update point, we have also considered at a high-level the likely viability of build to rent (BTR) schemes in the borough, an emerging sector, and now include our findings on those (for the purposes of the Council considering the potential CIL charging scope only).

Development Costs – s.106 alongside CIL trials

- 1.4.41 A range of CIL trial charging rates has been tested incrementally from £0 to £300/m², i.e. extending the range of testing carried out for the 2016 assessment. These results are displayed at £25/m² intervals within Appendix IIa, although the full appraisal testing has been carried out using finer-grained CIL trial intervals of £5/m². While the information can be made available to the Council as required, the inclusion of full results sets at all of these £5/m² step levels would prove too unwieldy for display. From experience, with tests to £300/m² this range goes beyond the scope we expect to find suitable for workable charging rates in LBB's case, but this will provide full context for considering results in more depth in due course and it means that we can take a "buffered" view as noted above because the testing goes well beyond (indicatively by 2 to 3 times) the likely charge setting range once the MCIL2 is also considered (at an assumed fixed cost of £60/m² within all appraisals). This approach leads to rates well within the margins of viability. The overall effective CIL charge in the borough would become the sum of these – MCIL2 plus LBB tested rate and therefore the LBB CIL needs to be set within this wider context.
- 1.4.42 As per the 2016 study, even with a local CIL in place, there would usually remain a requirement for developments to provide some site-specific mitigation measures (for example relating to open space, specific highways work and potentially other requirements). However, care needs to be taken not to add costs assumptions to the degree that those might overlap between the s.106 contingency and what is to be provided for via CIL. The testing of CIL viability is a broad exercise and there is no

requirement to gauge site-specific costs that will be at a level particular to each planning proposal.

- 1.4.43 Allied to the above, as of September 2019, with the removal of pooling restrictions on s106 agreements, it will also be important to keep in mind the greater flexibility of s.106 (as appropriate) balanced with CIL. This will help to ensure that the Council maximises the level of funding for essential infrastructure across the Borough.
- 1.4.44 As set out in Appendix I (not repeated in detail here), within all appraisals, and so allowed for alongside the LBB CIL trial rates testing and MCIL2, a site-specific s.106 contingency at £3,000/dwelling (all dwellings) has been included. Following discussion with the Council and review of relevant monitoring information, we consider this level of s.106 contingency (assumed originally) remains appropriate as part of a prudent approach.
- 1.4.45 As this study relates to CIL viability (building on previous work completed in 2016) rather than any wider policy testing, we have considered our findings discussed below in this context, although also with reference to the representations made through the PDCS consultation responses and following discussions with the Council.

Indicative land value comparisons and related discussion

- 1.4.46 Land value in any given situation should primarily reflect the specifics on existing use, with any alternative use, wider planning potential and status / risk, development potential (usually subject to planning) potentially being further considerations subject to careful treatment re their applicability. Any constraints, site conditions and necessary works, costs and obligations relating to the ability to progress development may also be relevant. It follows that the planning policies and obligations, including any site specific s106 requirements, will also have a bearing on land value, as has been recognised by Local Plan and CIL Examiners as well as Planning Inspectors. The actual comparability of any other examples used will be important to consider – ensuring a like-for-like comparison basis.
- 1.4.47 As set out in the methodology section, in order to consider the likely viability of any development scheme, the results of the appraisal modelling (the RLVs viewed in £/ha terms) need to be measured against a competitive level of land value. This enables

reviewing the strength of results as those change across the range Value Levels, AH policy targets (%s) and trial CIL rates.

- 1.4.48 This comparison process is, as with much of strategic level viability assessment, not an exact science. It involves judgements and well-established acknowledgements that, as with other appraisal aspects, values associated with land will, in practice, vary from scheme to scheme.
- 1.4.49 The levels of land values selected for this context are known as ‘benchmark land values’ (BLVs). They are not fixed in terms of creating definite cut-offs or steps in viability but, in our experience, they serve well by adding a filter to the results enabling efficient review. BLVs help to highlight the changing strength of relationship between the values (GDVs) and development costs as the appraisal inputs (assumptions) change.
- 1.4.50 Our practice is to compare the wide scope of appraisal RLV results with a range of potential BLVs used as ‘Viability Tests’ based on the principles of ‘existing use value plus’ (EUV+). This allows us to consider a wide range of potential scenarios and outcomes, and the viability trends across those. The coloured shading within the Appendix II results tables provides a graded effect intended only to show the general tone of results through the range clearly viable (most positive – green coloured) to likely non-viability (least positive, RLVs showing a deficit against the BLVs).
- 1.4.51 The land value comparison levels are not fixed or even guides for use on scheme specifics; they are purely for this assessment purpose. Schemes will obviously come forward based on very site-specific circumstances, including in some cases on sites with appropriately judged land values beneath the levels assumed for this purpose.
- 1.4.52 As noted above, the recently updated PPG on viability is now very clear that BLVs should be based on the principle of existing use value (EUV) plus a premium to incentivise the release of a site for development (i.e. EUV+). In adjusting EUVs to inform suitable BLVs representing previously developed land (PDL i.e. brownfield land) assumed as in commercial uses (e.g. redundant office uses) we have applied a 20% uplift (plus factor) which is suitable from experience and does not usually need to be exceeded – is most often agreed as suitable in our experience in site-specific viability discussions. This is considered a reasonable view with in the general overall range 10-

30%, although we would also note that some circumstances may warrant little or no premium – for example where there is no ready market for an existing use.

1.4.53 Whilst the 2016 study BLV assumptions remain key in informing the BLVs for use here, (particularly as they have been accepted in connection with the Local Plan EIP) we have also reviewed other appropriately available evidence, including other previous viability studies (as well as those conducted for neighboring/nearby Authorities), considered site-specific viability assessments in the background to this and have had regard to the published Government sources on land values for policy appraisals¹⁶. The Government’s data provides industrial, office, residential and agricultural land value estimates for many regions including for the borough of Bromley as well as the Greater London area.

1.4.54 The MHCLG residential land value estimates in particular require adjustment for the purposes of strategic viability testing due to the fact that a different assumptions basis is used in our study compared to the truncated valuation model used for the residential land value estimate. This (and other) viability assessments, assume all development costs are accounted for as inputs to the RLV appraisal, rather than those being reflected within a much higher, “serviced” i.e. “ready to develop” level of land value. The MHCLG truncated valuation model provides a much higher level of land value as it assumes all land and planning related costs are discharged, assumes that there is a nil affordable housing requirement (whereas in practice the Affordable Housing requirement can impact land value by around 50% on a 0.5 ha site with 35% AH) with no CIL or other planning obligations allowance. That level of land value would also assume that full planning consent is in place, whereas the risk associated with obtaining planning consent can equate to as much as a 75% deduction when adjusting a consented site value to an unconsented land value starting point. Lower quartile build costs and a 17% developer’s profit (compared to the assumed median build costs and 20% developer’s profit used in this study) are additional assumptions that lead to a view of land value well above that used for comparison (benchmark purposes) in viability assessments such as this. So, the assessment approach (as relates to all land values) assumes all deductions from the GDV are covered by the development costs assumptions applied within the appraisals. In our view this would lead to a significantly reduced residential land value benchmark when taking into account all of those factors.

¹⁶ MHCLG: Land value estimates for policy appraisal 2017 (May 2018 report issue)

- 1.4.55 As set out in Appendix IIa, IIb and IIc (residential and commercial results), we have made indicative comparisons at land value levels in a range between £750,000/ha and £10,000,000/ha so that we can view where the RLVs fall in relation to these levels and the overall range between them. The 2016 viability study assumed £5m/ha as the upper BLV test level, however as above, for this updated study we have assumed a higher BLV to further reflect the previously possibility that higher EUVs could well be relevant based on a range of existing uses including existing secondary office space which we consider to be particularly relevant to the Bromley Town Centre (BTC) area. Typically, at the lower end of the BLVs used as viability tests we would expect to apply an EUV+ based on a land value benchmark at approximately £250,000/ha for greenfield land release, based on a ten times (10x) uplift factor (the 'plus' element) from the EUV of agricultural land. However, taking into account the likely limited relevance of this to the LBB context at this stage, we have continued to use for the review purpose a lower end viability test at £750,000/ha for current purposes, as above.
- 1.4.56 Although the adopted range of BLVs noted here broadly maintains the approach taken as part of the 2016 study, we consider that our review of available information as noted above, continues to support this approach. The BLVs assumed as part of the 2016 study have been examined and the Plan subsequently found sound. This provides an endorsement of the previous assessment approach, as part of the appropriate available evidence for this finalising stage.
- 1.4.57 It has been noted that BLVs above the upper end of the previous range are also likely to be relevant in the case of some central urban area sites (principally Bromley town centre) with significant existing use values and subject to high density development proposals and, as can be seen from the results (to be discussed in following report section 2), some scenarios will indeed underpin any higher land value expectations at a site-specific level; and particularly with higher property sales values towards our upper VLs likely to be available. The attributing of site values based on EUV+ is likely to be a specific part of any planning application stage viability assessments that are considered necessary and are robustly justified for such scenarios – particularly perhaps as larger, more complex schemes in such locations come forward.

- 1.4.58 Within the overall range (noted above), we consider it likely that with an emphasis on PDL development in the borough covering a range of existing / former commercial uses, most scenarios are likely to need to reach around £1.5m+/ha and we suggest that they would be associated with more confidence in delivery at above rather than below that approximate level. Beyond approximately £3.5m/ha, we consider that sites with existing / former residential use as well as in higher value commercial uses will be more likely to come forward. Nevertheless, as we note here, some higher and significantly higher still site values are likely to be encountered.
- 1.4.59 Following review of the Council's planned site supply over the lifetime of this prospective CIL charging schedule, we understand the majority of the sites coming forward are PDL (previously developed land i.e. brownfield). For wider information therefore, in the event of amenity/greenfield/community or other land in lower value uses being considered (for instance any instances urban fringe or "urban greenfield" sites e.g. under-used playing fields, allotments, amenity land, low-grade commercial or business sites in non-urban areas or similar), for the review purpose we have continued to use a lower benchmark of £750,000/ha. This in our view is a minimum land value likely to incentivise release for development under most circumstances in the local context, but where RLVs meet or beat such levels then clearly, they are going to indicate stronger viability if based on land in lower value uses e.g. paddock or other amenity land, low value former commercial land, community land uses or similar.
- 1.4.60 Once again, it is important to note that all RLV results indicate the receipts available to landowners after allowing, within the appraisal modelling, for all development costs. This is to ensure no potential overlapping / double counting of development costs that might flow from assuming land values at levels associated with serviced / ready for development land with planning permission etc. The RLVs and the indicative comparison levels (BLVs) represent a "raw material" view of land value, with all development costs falling to the prospective developer (usually the site purchaser).
- 1.4.61 Matters such as realistic site selection for the particular proposals, allied to realistic landowner expectations on site value, will continue to be vitally important. Site value needs to be proportionate to realistic development scope and site constraints, ensuring that the available headroom for supporting necessary planning obligations (securing AH and other provision) is not overly squeezed beneath the levels that should be achieved.

1.4.62 The PPG¹⁷ states the following:

‘To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. This approach is often called ‘existing use value plus’ (EUV+)...

Benchmark land value should:

- be based upon existing use value*
- allow for a premium to landowners (including equity resulting from those building their own homes)*
- reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees*

Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.

This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the

¹⁷ <https://www.gov.uk/guidance/viability#standardised-inputs-to-viability-assessment> Paragraph: 014 Reference ID: 10-014-20190509
Revision date: 09 05 2019

relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.

In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.

Where viability assessment is used to inform decision making under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan. Local authorities can request data on the price paid for land (or the price expected to be paid through an option or promotion agreement).'

2. Results and Findings - Overview

2.1 Introduction to results tables – Appendix IIa (Residential)

- 2.1.1 The tables (1a to 1s) at Appendix IIa set out the further results by increasing development size (number of dwellings within an assumed scenario) from 1 to 800 for this assessment, with an expanded emphasis on higher density flatted development (including consideration of Built to Rent).
- 2.1.2 For each scenario, the results based on the CIL trial rate tests from £0 to £300/m² are set out at 0% and 35% AH (assuming the 35% affordable homes with 60% AR / 40% SO at 10+ dwellings) - all reflecting LBB requirements.
- 2.1.3 Having selected the typologies with reference to the nature and range of development considered relevant in the borough, as above, this testing approach also enables us to consider development consisting of houses only, apartments (flats) only (including specialist developments for older persons at typical development sizes) and mixed types (apartments and houses).
- 2.1.4 Run in this way, this enables the review to consider scheme type (influencing matters such as costs, values and densities), scale of development, likely most relevant site type or range of potential site types, reflection of the affordable housing policy threshold and other characteristics. For ease of reference again, the site typologies appraised (with respective results referred to in the Appendix IIa tables) are as follows:

Scheme Typology Size Appraised (& Appendix II a table ref.)	Type	Site type
1 (Table 1 a)	House	PDL (suburban)
5 (Table 1b)	Houses	PDL/GF (suburban)
5 (Table 1c)	Flats	PDL (suburban)
10 (Table 1d)	Houses	PDL/GF (suburban)
10 (Table 1e)	Flats	PDL (suburban)
15 (Table 1f)	Houses	PDL (suburban)
15 (Table 1g)	Flats	PDL (urban)
30 (Table 1h)	Houses	PDL (suburban)
30 (Table 1i)	Flats	PDL (urban)
30 (Table 1j)	Flats (Retirement/Sheltered)	PDL (urban)
50 (Table 1k)	Flats	PDL (urban)
50 (Table 1l)	Mixed	PDL (urban)
60 (Table 1m)	Flats (Extra Care)	PDL (urban)
80 (Table 1n)	Flats	PDL (urban)
100 (Table 1o)	Mixed	Potential Greenfield / PDL (suburban)
120 (Table 1p)	Flats	PDL (urban)
200 (Table 1q)	Flats	PDL (urban)
500 (Table 1r)	Flats	PDL (urban)
800 (Table 1s)	Flats	PDL (urban)

2.1.5 To recap, within each test set we have also appraised the sensitivities of the results to the assumed sales values varying by value level (VL), meaning the assumed range of new-build sales values across which all tests have been run. The series of VLs covers the range of new-build housing sales values expected to be seen overall across the borough, including in the event of those moving upwards or downwards from typical current levels in the various localities. Indications of how these VLs align to localities are discussed above. The key is to consider the VLs representative of values that are considered most likely to support the main supply of new-build housing, in terms of site types and locations, which overall within the LBB context covers VL6 to VL8 at £5,500/m² to £6,100/m². Consistent with the previous findings, potentially some CIL differentiation could be considered – as noted above re Bromley town and possibly other borough centres (more on this below).

2.1.6 Matters such as realistic site selection for the particular proposals, allied to realistic landowner expectations on site value, will continue to be vitally important. Moving away from a more open-ended and potentially “hope value” influenced ‘market value’ led approach, as is appropriate, site value needs to be proportionate to the realistic

development scope and reflect site constraints, ensuring that the available headroom for supporting necessary planning obligations (securing AH and other provision) is not overly squeezed beneath the levels that should be achieved bearing in mind the land value uplift that will generally be created.

- 2.1.7 In reviewing the outcomes, we also keep an eye on the £sum RLVs and not just the RLVs expressed in £/ha terms. This can be especially relevant to smaller PDL and town centre / higher density sites, where meeting the same or similar £/ha rates might not provide a realistic picture and, for example, the prospect of being able to buy an existing or former commercial use, or perhaps in some cases existing residential property, also needs to be kept in mind.

2.2 Results Analysis / Findings Overview

- 2.2.1 We will provide an overview of the potential CIL charging scope as updated from this review, and importantly consider whether in our view the Council's PDCS positions remain appropriate in relation to the current context of the now adopted Local Plan, national policy backdrop and updated local market circumstances. Although this review is a revisit / update, it was considered informative to include relatively comprehensive commentary around example scenarios and outcomes/sensitivities, following the analysis of the full set of new results and leading to these being able to be compared with previous.
- 2.2.2 In considering the results we have assumed a "buffer" factor on the basis of charging rates being brought back to about 50% (i.e. half) of their theoretical potential level. This is adopted from experience. There is no prescribed level or guidance as to the approach on this. Accordingly, it is not a fixed rule and does not operate as a cut-off, but as our selected guide only to further help ensure that the LBB CIL charging is not set at a rate or rates potentially relying on the margins of viability. Inevitably on settling the proposals some elements of the selected CIL approach will be within this guide, and others may rely on a slightly reduced but nevertheless still significant buffering factor.

Residential results (Appendix IIa)

Scenarios <10 units (1 House, 5 Houses and 5 Flats) @ 0% AH

(Tables 1a-1c)

- 2.2.3 Generally, the results as presented on scenarios below the national minimum AH threshold indicate a relatively positive viability picture when viewed alongside the key range of value levels (5-7) applicable to new build development coming forward in the borough. A key point to note here is that these smaller development types tend to involve higher overall build costs than larger development that will attract AH requirements under LP policy (@11+) and the assumptions set out in Appendix I reflect this.
- 2.2.4 We expect a scheme of **1 house** is likely to come forward very often as a self-build (CIL exempt) in some form and could be on greenfield land (e.g. garden / amenity land or similar) or perhaps on a PDL site which in Bromley's context we assume could range from a commercial existing use (e.g. car parking, yard/storage, workshop/business, retail etc.) to existing residential land; plus a premium. With this context in mind, the appraisal results indicate the scheme RLV reaches the key BLV range discussed above of £3,500,000/ha to £5,000,000/ha at approximately VL5 (£5,500/m²) to VL7 (£5,800/m²) when combined with a £75-£100/m² CIL (in addition to MCIL2) after a 50% allowance (approximate halving-back) for buffering.
- 2.2.5 The results for **5 houses** and **5 flats** produce broadly comparable viability prospects to the above with the resultant RLV reaching the two higher BLVs at VL5+ (£5,500/m²) when combined with the same buffered £100/m² CIL rate.
- 2.2.6 Overall, as above, the updated results on schemes below the adopted AH threshold indicate comparable viability scope with our original 2016 report findings. On this basis, we consider that a CIL rate of £100/m² remains appropriately supported in viability terms by these updated appraisal results, in the relevant overview terms.
- 2.2.7 As a general point on sub-AH threshold scenarios, during the course of reviewing these results, we also considered whether there could be scope to recommend a differential (i.e. higher) CIL rate beneath the AH threshold (i.e. on schemes of 1-10 in the LBB context). However, the likely nature of these sites, typically coming forward with often

higher £/m² build costs (as appraised) and a perhaps higher level of land cost (reflected more often by the upper BLV assumptions discussed above) has the effect of pulling down the overall theoretically achievable CIL scope unless a lower BLV (than say £3.5m/ha) is relied upon (considered not consistently supportable).

- 2.2.8 However, for background information, with a lower land value (i.e. below £3.5m/ha) and / or higher sales values assumed, the results show theoretical scope for a higher or potentially significantly higher CIL charging rate. This suggests that amongst the options available to LBB (discussed further below), there could be an upward differential in the CIL charging rate (from a £100/sq. m base) in other circumstances – e.g. for smaller developments below the AH threshold and outside the key urban areas. This may potentially be relevant to relatively large geographical areas in the borough, although which we understand are not considered key to the LP delivery overall.
- 2.2.9 On balance, at this stage and given the added complexity that would be involved, we suggest that there may not be a sufficient advantage to differentiating in such a way (i.e. upwards from say £100/sq. m in some circumstances). Nevertheless, the Council will be able to consider these findings, given the nature of a CIL and in weighing up the appropriate overall balance to be struck.

Scenarios 10-100 units @ 35% AH (Tables 1d-1o)

- 2.2.10 Although the Council's adopted policy requires AH provision from 11+ units, the new London Plan will embed an approach consistent with that of the NPPF which sets the national minimum threshold based on 'major sites' i.e. at 10+ units (unless in designated rural areas). On this basis, we have tested 35% AH from 10+ dwellings.
- 2.2.11 When viewing the results for those scenarios based on housing only (i.e. **10 Houses**, **15 Houses** and **30 Houses**), it is important to keep in mind the relevance to LP delivery overall and where the identified site supply is occurring within the borough over the lifetime of the CIL charging schedule.
- 2.2.12 We would typically expect these types of scenarios to come forward on PDL within the lower overall adopted BLV range of £1.5m/ha to £3.5m/ha representative of potential PDL existing use values including a level of premium to incentivise release of the land for development.

- 2.2.13 Overall, the results indicate RLVs exceeding the above range of PDL BLVs from VL2+ when combined with £100/m² CIL (buffered). As part of the consistent, wide approach to testing, scope for a higher level of CIL has also been trialed at >£100/m² and that appears viable in a range of circumstances for 15 and 30 houses (certainly for any greenfield development). However, in viewing the results we also need to be mindful of the wider borough characteristics including those (relatively) lower value areas which may not be able to consistently support a CIL rate above our previously recommended £100/m² in the event of the simple overall charging proposals not being continued. In essence the Council will again need to consider the simplicity of approach versus potential differentiation and any advantage that may bring. Ultimately, this again comes back to the Council being able to show that its proposals strike an appropriate balance between the desirability of funding infrastructure and viability. In balancing funding infrastructure and viability, the latter includes consideration of housing supply coming forward, and viability taken to the margins would be more likely to negatively impact on the supply.
- 2.2.14 In connection with the smaller flatted scenarios (**10 - 50 flats**), we often observe reduced viability scope on these types of development, unless relatively high sales values are available to support the typically higher development costs. This is a common theme in the assessment of development viability in our experience, i.e. found within a wide range of projects, and is seen here in the LBB context – essentially across all tested flats-based scenarios.
- 2.2.15 We would generally expect flatted schemes to come forward on PDL sites (unless forming part of a much larger mixed housing scheme in a less urban context- a form of development unlikely to come forward in the borough in the near future). In order to meet the lower PDL BLV range at £1.5m/ha, values need to achieve VL6 to consistently support £100/m² CIL after allowing for buffering. The results indicate more challenging viability prospects assuming VL1-3, even when nil CIL is applied, indicating it is not the effect of CIL causing the likely challenging viability picture here, but the overall combination of higher development costs when considered with the policy requirements as well as potentially higher existing use values.
- 2.2.16 Given the planning location of development coming forward over the likely lifetime of the first charging schedule, we consider values from VL6 – VL8 to be appropriately representative. As illustrated in Figure 2 above, VL6 sits in the middle of our assumed

typical new build values range and again noting the likely location of future development, we consider the strength of these results to be viable with £100/m² CIL.

- 2.2.17 However, with a town centre context in mind and therefore potentially higher existing use values, we consider a wider range of BLV of between £5-10m/ha forms an appropriate benchmark for considering viability. On this basis, the **50 Flats (3-5 storey)** scenario (as a representative scheme of development in the Bromley town centre area), is able to viably support a CIL rate of £25/m² at VL9 (£6,400/m²), increasing to £100/m² at VL10 (£6,700/m²).
- 2.2.18 Our extensive values research indicates that Bromley Town Centre can support values at the upper end of our range from VL8 to VL10 (£6,100/m² to £6,700/m²). On this basis, we consider a lower CIL rate of £25 to £75/m² is supportable, whilst £100/m² CIL remains broadly supportable overall (borough-wide, on typically lower value sites).
- 2.2.19 With the possibility that basement parking would be the only practical option to accommodate parking on some existing PDL sites with smaller footprints, this has also been considered on an additional/sensitivity test basis. To provide surface parking on such sites would affect optimisation and the quantum of dwellings achievable, possibly to an unworkable extent. However, as noted above the draft London Plan car-free policy for higher PTAL areas potentially indicates that basement parking may not be required locally as envisaged in this test, or not regularly. This potential additional viability constraint may therefore not be considered a significant factor for the Council to weigh into its rate(s) setting judgments overall.
- 2.2.20 Reflecting the above, as an additional flattened scenario, we have also modelled an **80 Flats (3-5 storey)** scheme both with and without basement car parking to consider the sensitivity of outcomes to this test. A cost of £25,000 per space has been applied to all units (assuming one space per unit) but we have also applied a £15,000 per unit increase to revenue added to the market sale and shared ownership units only. We assume this type of scheme to be on a PDL site type, based on a potentially modest 100dph and likely to be coming forward in Bromley Town Centre but also the wider west ward urban areas of the borough, for example, Crystal Palace, Penge and Cator, Kelsey and Eden Park etc. – within other centres and urban areas. In these areas our extensive market research indicates sales values ranging from VL5 to VL8 at £5,200 to £6,100/m² are likely to be achievable, with Bromley Town Centre potentially above those levels, reaching VL8-10.

2.2.21 On this basis, the results indicate £100/m² CIL to be supportable (after buffering) from VL5+ before basement car parking is included and when compared with the lower to mid area of the above BLV range (£1.5m to £3.5m/ha). However, once the costs of providing basement car parking (at an indicative £25,000 per space) are factored into the appraisal test, we clearly see a more challenging viability position regardless of the level of CIL assumed (and this is before allowing for CIL applied to the basement area). To support the level of CIL noted above, values of approximately £5,500/m²+ (VL6/7+) would need to be achieved generally in combination with the above assumed BLVs. It is clear therefore that although such a scheme can support a CIL rate of up to £100/m² in the wider west ward areas, once basement parking is included using the assumptions applied the same CIL level is not supportable – there is a development costs trade-off and that provision has a notable effect of pulling down the results. Conversely, if we apply the upper BLVs of £5m/ha+ potentially representative of some Bromley Town Centre sites, the scope for CIL continues to reduce.

2.2.22 This suggests that on these calculations, as an option and alternative to a single-rate approach, LBB could consider setting a differential rate for the town centre areas, particularly in Bromley Town. However, reflecting on the circumstances and unknowns, including as outlined at 2.2.19, on that route there may also be an unintended consequence of pulling-down the CIL charging scope based on potential negative factors that are uncertain or not likely to be regularly seen. There is also a good possibility that when such viability constraints do come together, they will be supported by sufficiently high sales values to overcome them, meaning that schemes will be considered sufficiently viable to proceed, with CIL then only a very small proportion of the development values or costs. A CIL charging rate of £100/sq. m would represent less than 2% GDV.

2.2.23 Therefore, in looking at this overall without over-complicating matters and also potentially under-cutting on the infrastructure side of the balance the Council could also prefer to make a judgement based on the simplicity and the resultant clarity associated with a single headline type charging rate, not set too high (and so also with no differentiated upwards for other potentially more viable circumstances).

2.2.24 In order to provide additional information for the Council in considering matters, as part of carrying out this update we therefore also reviewed the potential impact of basement parking on an 80-unit scheme as an example on overall viability. However,

we understand from the Council that the frequency of schemes relying on basement car parking occurring over the lifetime of the first charging schedule is probably going to be low. Therefore, when considered alongside the above, adopting an overall adjusted rate (a more typical differential approach to take account of a wide range of characteristics of such schemes) may be considered the most appropriate approach overall – for the Council’s information.

- 2.2.25 We have tested two larger mixed schemes (**50 and 100 Mixed**) comprising both houses and flats. Given the fairly typical findings relating to flatted development, as may be expected for this type of development, the assumed mixture of houses and flats indicates viability at a lower level when compared with the development of houses alone, generally owing to the use of higher build cost assumptions. There is, however, some off-setting of this effect through higher density assumptions that could reasonably be expected.
- 2.2.26 We consider both of these schemes could come forward on either PDL or lower value sites within or adjoining the suburban areas of the borough, for example in the east and south ward areas. On this basis, we consider a typically representative BLV range to be from £750,000/ha to a maximum of £3.5m/ha. For any greenfield site types, we would expect a significantly lower level of land value (based on the existing use plus a premium) than the £750,000/ha at which the results show support strong viability outcomes - with £100/m² CIL being supportable from VL2+ (buffered). When viewing the results in combination with the above PDL BLV, the same level of CIL remains viable from VL5/6+, after allowing for buffering.
- 2.2.27 Viability scope generally continues to improve as the VL increases and therefore there is scope for the support of a greater or significantly increased level of CIL than discussed above, particularly in connection with a greenfield site type, if/where applicable. However, we need to consider the overall plan relevance and aim for a straightforward approach, as well as the varying strength of values within the LBB context, particularly in the southern and eastern borough areas of Biggin Hill, Darwin and Cray Valley wards where this type of development is more likely to come forward. With this in mind, we consider £100/m² CIL to be a suitably cautious and robust rate that can be confidently supported across the wider LBB context.

30 Flats – Housing for the elderly (Retirement / Sheltered) @ 35% AH (Table 1j)

- 2.2.28 The premium values usually achieved for such schemes as new-builds, together with the densities and typically somewhat reduced scope of external works, are in our experience positive viability influences in balance with the higher build costs associated with the nature of the construction e.g. enlarged communal (non-saleable) areas in comparison with general market apartments developments (usually 25%+ in comparison with the typical 15% or so communal areas allowance that we would generally expect to make for efficiently designed new builds). In our experience higher sales values than those assumed for the general assessment purpose (i.e. at the upper end of our VLs range) are likely to be more relevant for this development type than the lower to mid-range VL tests.
- 2.2.29 Following appropriate market values research of comparable retirement / sheltered schemes within the borough, we have assumed values from VL8 (£6,100/m²) to VL11 (£7,000/m²) i.e. beyond the highest VL10 test used for the general market scenarios testing. Even at the lower end of the VLs tested for this scenario (VL8), the results show likely positive viability prospects which are considered able to support £100/m² CIL on a range of PDL sites.
- 2.2.30 Therefore, consistent with our wide experience of viability, CIL rates setting and site specific viability review workload to date, we consider there would be no reason at this stage to include differentiation for this particular form of development for CIL purposes (assuming the C3 planning use class and therefore market housing development).
- 2.2.31 With the changing backdrop to the nature of housing needs and supply, it is now becoming increasingly relevant that other forms of specialist housing are also considered as part of the study update. We have therefore also tested an Extra Care housing scenario, using further adapted assumptions to those relevant for retirement/sheltered housing, set from experience of scheme specific reviews, which will be considered further below (a scenario of 60 extra care apartments has been appraised).

60 Flats (Extra Care) @ 35% AH (Table 1m)

- 2.2.32 Appraised over the same high values range as assumed for the retirement/sheltered housing tests, for this typology the results show lower RLVs than the former. This reflects the higher development costs, principally related to a further enlarged typical extent of communal areas construction.
- 2.2.33 These relativities are fairly typical in our experience, and in practice there is a spectrum of schemes types with viability generally reducing on going from a C3 residential use to a care provision led use (care home or similar development) falling clearly under use Class C2. Comparing the retirement/sheltered housing results (at Table 1j) with those at Table 1m and then those at Appendix 11c (commercial typology results) shows this trend; with the C2 development type not showing sufficient viability to support CIL.
- 2.2.34 However, there is clearly a significant positive viability difference between the care home typology and market sale based extra care apartments typology. Given that in practice there is very often a “grey area” in terms of how to classify extra care housing is and how it should be defined, because its characteristics can lean more towards C3 as well as towards C2, the Council may wish to consider how prevalent or central to the overall Plan delivery this type is.
- 2.2.35 The values achievable for developments of this type in the borough are likely to be consistently very high, and to support viable development. Within the weighing-up of the balance, therefore, the Council could consider whether the likely positive viability of schemes means that a lower effective buffer factor could be accepted to support the same charging rate as the residential headline level of approximately £100/sq. m; or whether the typically lower viability, relatively, should be reflected in a CIL rate between that and the recommended nil-rate (£0/sq. m) – see below – for care homes and similar developments.

Scenarios >100 units (120, 200, 500 and 800 Flats) @ 35% AH (Tables 1p-1s)

- 2.2.36 We have tested higher density flatted scenarios as a key typology ranging from 120 to 800 flats which we understand are planned to come forward in Bromley Town Centre but also potentially the wider west ward urban areas of the borough.
- 2.2.37 As described above, in these areas our extensive market research typically indicates new build sales values ranging from VL5 to VL8 at £5,200 to £6,100/m² are available with values in the town centre at the upper end and above that range from VL8-10. Again, the same range of BLVs are relevant.
- 2.2.38 For schemes of this type e.g. higher density flatted development, with the VLs and corresponding BLVs described above kept in mind, it is clear that at VL6+ a CIL rate of £75 to £100/m² is supportable at the lower to mid-range of BLV. Although at VL8+, representative of Bromley Town Centre (and therefore more likely incidence of higher BLVs at £5-10m/ha), the results indicate the potential that some schemes may be able to support a greater level of CIL, however there may be other elements that impact on overall scheme cost and ultimately viability scope e.g. basement car parking, enhanced communal areas, other increased development costs.
- 2.2.39 As in other cases, the wide-ranging results overall also indicate challenging viability prospects generally with VL3/4 even when nil or a nominal local CIL is tested indicating again that it is not the effect of CIL causing the likely challenging viability prospects here, but rather the overall challenging nature of the cost:value relationship, unless higher values are available to support viability.

Build to Rent (Appendix IIb)

- 2.2.40 Although understood to be a model that is not particularly prevalent in the borough, the Council requested additional information on the potential viability of built to rent (BTR) developments. Our current stage overview findings (with related assumptions) based on our experience of this model to date are included at Appendix IIb.
- 2.2.41 The tables there provide the results of our BTR appraisals viewed as a £/per hectare surplus/deficit once varying BLV levels have been deducted. Clearly the need to meet

a higher BLV would reduce the view of viability. The cells shaded green exceed the noted BLV while those with pink to red shading and showing negative outcomes indicate deficits.

2.2.42 These appraisals were carried out based on the affordable element of the schemes being assumed as affordable private rent (APR) set at 75% of market rent – i.e. rents within the maximum 80% market rent criteria noted within the PPG.

2.2.43 LBB's affordable housing policy basis has been applied, with the testing assuming 35% on site affordable housing (as affordable private rent (APR) tenure). This is consistent also with the Draft London Plan's approach and its 'Fast Track Route' to affordable housing provision, including on schemes that fit the definition of BTR developments. Policy H13 of the Draft London Plan (currently the July consolidated changes version – page 183 of 517 there) sets out that Plan's approach to considering BTR – see: https://www.london.gov.uk/sites/default/files/draft_london_plan_-_consolidated_changes_version_july_2019.pdf. Furthermore, the PPG content on 'Planning for build to rent' (at para 002) states: *'20% is generally a suitable benchmark for the level of affordable private rent homes to be provided (and maintained in perpetuity) in any build to rent scheme. If local authorities wish to set a different proportion, they should justify this using the evidence emerging from their local housing need assessment and set the policy out in their local plan. Similarly, the guidance on viability permits developers, in exception, the opportunity to make a case seeking to differ from this benchmark.'*

2.2.44 Looking at the difference between the PDCS CIL rate (based on the 2016 viability assessment) and a test nil (£0/sq. m) CIL scenario, we can see that whilst the CIL charge has an effect, it is not amongst the most significant influences on viability in the case of BTR (as in other cases), and particularly with LBB's adopted policies applied (notably including 35% affordable housing).

2.2.45 Looking at the results generally, on the basis currently appraised i.e. applying the LBB 35% AH, overall there is unlikely to be scope to charge a similar CIL rate on BTR schemes as is proposed for charging on market-sale-led schemes having considered those on review, as above (i.e. at a headline of circa £100/sq. m). It is important to note though that this is the finding with all other LBB policies allowed for, consistent with the appraisals approach required for CIL viability. With for example a significantly

lower proportion of APR assumed (in line with the PPG, which at a 20% APR content is much closer to where the viability tends to lie for this element of a BTR scheme in our experience to date).

2.2.46 Therefore in looking at the frequency of such schemes and the level of APR that might ultimately be appropriate, potentially as part of its balance and a pragmatic approach the Council could look at a different balance between that and the supportable level of CIL (lower APR % as per PPG; more CIL that apparent at 35% APR) in any CIL the Council. The LBB applied 35% AH policy is pulling down the results included and therefore the CIL funding scope viewed here.

Commercial / non-residential results (Appendix IIc)

2.2.47 The 2016 viability assessment indicated potential CIL charging scope for the following non-residential forms of development in the Bromley context:

- Supermarket / Foodstore – up to £50-£100/m² CIL
- Retail Warehousing – up to £100/m² CIL
- Town Centre Shopping – up to £120/m² CIL
- Convenience Stores – up to £50/m² CIL

2.2.48 At PDCS consultation, the Council consulted on the following proposed CIL rates:-

- Retail Warehousing - £100/m² CIL
- Supermarket / Foodstore - £100/m² CIL
- All other forms of development - £nil CIL

2.2.49 As noted above, the same methodology and residual valuation principles apply as per the residential element of this study. Appendix IIc sets out the results accordingly by development type, varied by increasing rental value test (low, medium and high), assumed yield percentage from 5-7% (applied in capitalising the annual rental assumptions) and potential (trial) CIL rate. Alongside this, again as per earlier reporting, we are of the opinion that the key BLV range to compare the resultant RLVs is £1.5m to £3.5m/ha, representative of existing / former commercial uses of the site types likely most often to host such developments.

2.2.50 Again, Appendix III sets out the background research conducted to inform the adopted values.

2.2.51 Although the representations received following the PDCS consultation had not specifically raised concerns relating to the proposed commercial development use CIL charging rates, as part of this update study we have reviewed and updated the 2016 typologies and assumptions as follows:

- Updated all value and cost assumptions to current levels;
- Added further test typologies:
 - purpose built Student (housing) Accommodation in relation to both 'cluster' and 'studio' unit types;
 - Co-Living (housing) Accommodation, which shares many similarities with purpose-built student-accommodation (as above), including enhanced communal space and facilities;
 - Car Showrooms

2.2.52 Overall, our updated range of typologies continues to assume high quality, well-located new-build development as relevant to the adopted plan and the proposed associated CIL. Within that range of typologies, it should be noted that the yield tests shown are considered to be at the positive end of the potential range in some cases and are used so that we can see to what extent realistic assumptions support positive scheme viability and therefore any CIL scope.

Retail development

2.2.53 The results for **supermarket / foodstore** development indicate a range of RLV results from £1.2 to £4.6m/ha. After allowing for buffering, broadly we consider CIL rates of between £50 to £100/m² to be supportable with the upper end of that range taking a more positive outlook, assuming the 'high' rental values combined with a 5% yield. With the passing of time since the 2016 study, the increase in build costs combined with the relatively flat rental values has placed some increased pressure on viability and therefore available CIL scope.

2.2.54 It is clear that the results are highly sensitive to reducing value (i.e. capital / investment sale value) with an increasing yield % assumption as represents reduced certainty of income flow/strength of lease covenant; greater investment risk. For example, although a 6% yield assumption continues to support up to £100/m² CIL at the 'high'

rental value, this is reduced to nil CIL when the rental value drops to 'medium'. However, for context in considering the outcomes, the latest available edition of Knight Frank Yield Guide (May 2020) at the time of this final write-up shows foodstores to be related to the only 'stable' to 'positive' market sentiment amongst the many property investment types covered in that data. It notes yields at 4.25% to 4.75% for foodstores, so that our most positive assumption of 5% is not considered overly positive.

2.2.55 With the context of likely relatively high land values, it appears that the viability of this form of development or its ability to compete for sites, may not be quite as strong as we observed previously or have seen in some other locations. This is a relative factor however, as in lower value/less urban suitable locations site values will be lower and other uses will often be less competitive for sites. Taking this into account alongside the likely relevance of this type of development in the Bromley context, we consider our previous finding of £50-100/m² CIL scope remains broadly supportable overall. On this basis, our review suggests that the Council could consider progressing with the proposal as per the earlier (PDCS) consultation rate i.e. £100/sq. m – this is not considered to exceed the likely suitable parameters for this development use. However, should the Council progress to consider a differential (lower) charging rate for Bromley (or potentially other) town centres, then a similar approach could be considered for this development use too.

2.2.56 The updated **retail warehousing** results indicates a similar viability picture to that presented within the 2016 study and presents amongst the strongest viability prospects observed – assuming demand being in place to progress development. Although this may not support yields at such a positive level compared to foodstore developments, even when viewing the results with a higher yield of 6.5%, the RLVs at the medium value assumptions achieve around £5m/ha when combined with a £100/m² CIL rate. The above noted yield guide suggests latest figures over a range c. 6 – 8%, with these having moved out in the last year (become less positive – increasing yield %s) and the market sentiment now noted as 'negative'.

2.2.57 Overall, the results here indicate positive viability prospects for any schemes that are progressed, again with the ability to continue supporting a CIL rate of £100/m² (buffered). Although potentially a higher CIL rate could be supportable, it is important to keep in mind the above noted market sentiment as well as the where potential land

value expectations may lie for potentially relevant sites and locations for this type of development within the LBB context (e.g. the central to west ward areas rather than the more rural east and south wards), together with the not going to the margins of viability as per relevant principles throughout the consideration of suitable charging rates.

- 2.2.58 The tests representing the development of other/smaller comparison or other retail units, including potentially in a **town or local centre shopping context** (indicate apparently mixed results including again some strong RLVs but which tend to be reliant on the more positive yield tests. However, again these should be viewed in the context of variety of sites combined with potentially higher development costs. Also, for reviewing context, the above noted yield guide information shows clearly ‘negative’ market sentiment with yields for ‘good secondary’ property having moved out from around 6.5% to 8.25% + over the year to May 2020. For secondary/tertiary High Street retail, the data shows that yields have been running at around 10%, which will support significantly lower development values than our more positive tests suggest. Again, the market sentiment is shown as clearly ‘negative.’ Overall, for the Council’s information, we consider that as per the PDCS consultation stage proposals, a suitable charging approach for any such retail development would continue to be nil-rating (@ £0/sq. m).
- 2.2.59 For any **town centre retail in the form of restaurant use** our assessment of the viability picture for this purpose again points to a potential range of outcomes but overall our review suggests that a similar view and treatment to that suitable for the above noted retail units in similar locations is likely to be appropriate. Again, a suitable charging approach for any such development would be nil-rating (@ £0/sq. m) in our view.
- 2.2.60 As above, the development of smaller **convenience store** retail units also typically shows lower viability prospects than may be associated with the larger format retail developments for foodstores and retail warehousing type use. This also is not an unusual finding in our experience and echoes our previous findings, with outcomes highly sensitivity to changes in value assumptions. It is only at the lowest yield combined with the highest rental value assumption, that there is sufficient scope for CIL at approximately £45/m² (buffered) when assuming a BLV of £1.5m/ha. Overall, we recommend the Council considers that this use type continues to be subject to nil CIL rating – again, as per the PDCS stage proposals.

2.2.61 Following the PDCS consultation, we have also tested a new typology, **car showrooms** development, with information provided at LBB's request and this having been considered a potentially relevant form of development in the borough context. Similar to the results as presented for convenience stores, based on the assumptions considered suitable this form of development indicates lower viability prospects generally with insufficient viability scope to support CIL. Although, as in the case of other development use types, there may well be circumstances where this type of development can viably come forward, we would expect the frequency of this to be limited (particularly in the near future perhaps) and to need the support of more positive assumptions – i.e. values potentially above those supported by our current market research.

B-Uses – employment - office / industrial

2.2.62 Consistent with our 2016 study, the results for both the office and industrial typologies tested indicate no clear CIL charging potential. At this time, we continue to consider that a nil-rate charge should be progressed for these uses. Although the above noted yield guide information suggests that for South East towns and business parks yields could be a positive as 5 - 6% (May 2020) since the early Spring of this year the yields are indicated to have started to move out (increase) gradually, with again the market sentiment clearly 'negative'. However, the results at Appendix IIc clearly present likely challenging viability prospects even with a lower yield of 5% (our most positive test assumption) and the higher rental value test assumptions. Although higher rents could well be seen and at the time of first setting the office rent assumptions those may have been conservative, we can see that a lot of positive movement beyond our assumptions is needed before clear consistent viability prospects would be indicated. This essentially does not move us on from our findings as presented in 2016 and is not an unusual finding in our experience, with the picture likely now to be not improving in the near future either. This means again that overall, we recommend the Council considers that this use type continues to be subject to nil CIL rating – as per the PDCS stage proposals.

Student Accommodation, Co-Living, Hotels and Residential Care (care homes)

- 2.2.63 The **hotel** typology (budget type) indicates likely challenging viability prospects at the lower and medium rental value assumptions, regardless of the yield applied. However, assuming the most positive combination of assumptions (e.g. high rental values, 5% yield etc.) more positive viability prospects are indicated, with some theoretical CIL scope achievable. Overall, however, in our view, with those viable indications relying on the more positive values assumptions and seen to be highly sensitive to those falling away, this development type is unlikely to support positive LBB CIL charging scope which again echoes the earlier findings and proposals – i.e. pointing towards a nil-rate charging approach as before.
- 2.2.64 In respect of **care / nursing homes (C2 - residential institution)** typology, assuming full care provision is on-site, our results broadly reiterate the above commentary. Essentially, to see positive viability prospects, the results would need to rely on more positive value assumptions (even above those assumed in this case) and those results are also highly sensitive to values falling away. On this basis, we consider it also unlikely that a scheme of this type will have the ability regularly to support positive CIL charging scope – findings also as previous (and as per PDCS stage nil CIL rate approach).
- 2.2.65 As part of this update study, we were asked to consider **purpose built students' housing accommodation** and we are aware that particularly in areas with strong demand, this type of development offers very strong investment prospects – represented by a low, positive yield assumption that mean a high capitilisation of the adopted rental assumptions. Recent evidence indicates yields ranging from 3.75% to 5.25% in prime regional areas.¹⁸ A check back at the yield guide indicates the same as at May 2020, and reflecting this notes the market sentiment to be 'stable'; consistent with the above, one of the few categories supporting anything other than 'negative' market sentiment presently.
- 2.2.66 There are different forms of student housing and we have tested both a larger '**cluster type**' development and **studios-based student accommodation**. The 'cluster' type provides traditional 'Halls of Residence' style accommodation with individual study

¹⁸ Knight Frank Yield Guide (August 2019) at the point of main study research

bedrooms arranged around a communal kitchen/lounge area. 'Studio' type accommodation provides typical studio units that could be expected to include their "own" kitchen as well as bathroom facilities.

2.2.67 The results for both types of student accommodation described above indicate a range of likely clear positive viability scenarios even at the lower rental value assumptions combined with a higher assumed yield. For example, assuming a 5.5% yield assumption at the medium rental value, the results indicate RLVs above our £5-10m/ha upper BLVs range across the range of trial CIL tests.

2.2.68 Therefore, although there is scope for potentially a greater level of CIL to be supportable, for student housing developments we consider the scope for a realistic and appropriately set rate to be higher than for other forms of development (as considered above) at this time, indicatively within the range £100 – 200/sq. m with the actual placing of that essentially a judgement (with that range it would not be incorrect or unsuitable in our view) linked to the clearly relatively high levels of viability.

2.2.69 A relatively new form of development, **co-living**, shares a range of characteristics with student accommodation as we have understood and appraised it, with added benefits often including enhanced communal areas such as workspaces, living areas, gyms and with the provided services often including concierge, cleaning, inclusive utilities costs, etc.

2.2.70 We understand that co-living could come forward as high-rise, high density development, with such characteristics similar to or even more likely than in the case of our assumed student accommodation typologies. The London Plan requires '*developments are expected to provide a contribution that is equivalent to 35 per cent of the residential units to be provided at a discount of 50 per cent of the market rent*'¹⁹ which has been factored into our appraisal modelling.

2.2.71 Overall, the results show likely clear, positive viability scenarios, broadly similar to the potential seen in connection with student accommodation. For example, although we might expect to see some more positive yields than tested, assuming a yield of 5.5% the resultant RLVs continue to exceed the £5m/ha BLV when combined with the medium rental value assumption.

¹⁹ New London Plan (Consultation Draft) (August 2018) – Policy H18

- 2.2.72 On this basis and as described above, for any co-living developments we suggest that the same overview as for purpose-built student housing accommodation is likely to be relevant for LBB to consider. So, similarly, there appears to be scope for a realistic and appropriately set rate to be higher than for other forms of development at this time, indicatively within the same range £100 – 200/sq. m subject again to reviewing this within the overall balance.
- 2.2.73 Only the results relating to key commercial / non-residential development tests are contained within Appendix IIc and have been discussed here. Other development uses have also been considered at a high-level based on the likely typical strength of the relationship between the involved development values and build costs. The results from this analysis provide poor viability prospects with wide-ranging insufficient viability scope to support positive CIL charging across a wider range of potential development uses.
- 2.2.74 Overall, it is important to note generally the wider context here in terms of the fixed requirement for the Mayoral CIL which is already having a viability impact also on those wider uses that would continue to be subject to suggested nil rating. The top-slice for MCIL2 adds to the viability pressure that may already be in place in a range of scenarios, and therefore unavoidably has the effect of reducing any available headroom available for a local CIL and as above in many cases, leads to our continued recommendations to consider a nil (£0/sq. m) LBB CIL approach as being appropriate to a range of other development types at this stage – outside the identified charging scope for residential and larger format retail (any foodstore and retail warehousing development that comes forward) together with any purpose built student housing and co-living developments.
- 2.2.75 DSP has some experience of working with LA clients to consider or support a nominal (low rate) CIL charging approach across some or all ‘other development uses’ as a departure from the direct viability evidence in this type of reporting (using for example the guidance scope for their being ‘some room for pragmatism’). However, in the London Borough context with MCIL2 in place (at £60/sq. m), in our view such an approach is less likely to be appropriate here, or would need closer consideration. We have not provided further context on this, therefore, and simply raise the general point for the Council’s information and further consideration if thought to be potentially

relevant within the approach to striking an appropriate balance for the local circumstances.

3. Summary of Findings

3.1 Findings – generally

3.1.1 We consider that the further review of viability provided in this assessment continues to support an approach to a suitable set LB Bromley CIL charging rates that is consistent in most respects with that informed by the previous findings as set out in our 2016 study; and as consulted on at PDCS stage. As a brief overview of the detail and the commentary above, the following are the main findings for LBB’s consideration.

3.2 Summary - Residential

3.2.1 With CIL a strategic level tool and means of collecting infrastructure contributions to support new development across Bromley Borough, in support of the Local Plan, in our view on balance a straightforward approach adopted borough-wide as far as possible would be likely to serve at least as well as a more complex charging schedule with more differentials than are considered strictly necessary. The proviso to this is that a borough-wide prevailing rate type approach needs to be set at a level which will be workable across a great majority of circumstances – i.e. is not set too high. Under the CIL principles it is inevitable that some schemes may not support the charging without an adjustment in other measures, and this is acceptable. Likewise, in many cases of tight or non-viability, this is inherent in the nature of the particular scheme details and not necessarily going to be materially assisted by a reduced CIL charging rate.

3.2.2 There will always be certain site-specific circumstances with inherent viability pressure regardless of the specifics of CIL or other policy requirements. In these circumstances, a viability case could be considered at planning application stage, reflecting a continuation of current practice when considered to be absolutely necessary.

3.2.3 Drawing the above together, we consider the key rates consideration for an updated CIL charging schedule appear as follows below:

- A. Key theme - Borough-wide rate** - Bearing in mind that a higher rate or rates could also be set in some circumstances (e.g. any greenfield or other lower values sites, straightforward housing developments in higher value areas,

potentially beneath the AH policy threshold in some cases) in our view a headline borough-wide CIL charging rate for residential development would continue to be approximately £100/sq. m. This could be applied to retirement/sheltered and extra care housing schemes, which are considered will generally fall within Use Class C3 and form part of the wide spectrum of the housing market offer.

- B.** Potential alternative approach – e.g. Bromley Town Centre or other rate(s) differentiation – Overall, the results analysis indicates that actually a range of potential CIL rates are supportable. In reality, there is no single “right answer” or indeed a wrong approach within that range as sites and schemes will vary and only a specifically set rate per individual development would actually respond fully to the potential range of issues and outcomes. Clearly such an approach is not realistic or necessary in CIL terms, but in considering the overall balance the Council could as an alternative to key finding A above also progress a differential rates approach, potentially looking both above and (with a town centre focus) beneath the above suggested borough-wide suitable approach.

It cannot be certain, however, that compared with a rate set at a level of c. £100/sq. m, an apparently more targeted approach would actually be significantly more responsive. That might be more relevant were a suitable general rate being put forward at a much higher level, but based on the suggested approach any differential would be relatively small in monetary terms and in the context of CIL as a modest proportion of development value of cost. While any expected regular incidence of additional costs involved in basement car parking might be a factor in looking at a differential approach, the future of on-site parking requirements for all developments appears in doubt when looking at the London Plan principles, as noted above, however.

At c. £100/sq. m a CIL charge would represent a maximum of about 2.5% GDV in this borough context; more likely 1.5 to 2% GDV.

3.3 Summary - commercial and other developments

- 3.3.1 As is generally the case (i.e. not specific to LBB) the scope of policies relating to residential development are the key areas where an individual planning authority can

have a significant influence over matters affecting viability – directly through policy selection. Beyond more general policy enabling and development standards, the same does not apply to a significant extent in respect of all other forms of development, including for employment and commercial uses. For example, there is no relevant policy area with any impact approaching the significance of affordable housing and other matters.

- 3.3.2 In our experience, it is not unusual for most non-residential forms of development to generally see poor viability or at best mixed results, other than those representing certain forms of retail development – this was certainly the case in the 2016 study assessment and the same themes have come through again here, while information has been added too. Poor viability outcomes as seen through the nature of this assessment do not necessarily mean that development will not be delivered as a result of particular parties’ drivers and interests, and through flexibility in development appraisal inputs and negotiations – factors that we cannot assume in prudently assessing viability for informing CIL setting.
- 3.3.3 With this context in mind, we are of the opinion that as per the residential findings overview, the previous themes and rates identified in 2016 remain broadly appropriate, alongside information of suitable CIL charging parameters for other development uses that have now been looked at additionally. Although the additional testing for car showrooms indicated generally poor viability prospects using the assessed assumptions, the testing for student and co-living accommodation provides positive viability scope for CIL charging, with those typologies indicated as amongst the most or the most viable prospects should they come forward in the borough. However, the relevance and likely delivery of these and other forms of development may also be relevant considerations.
- 3.3.4 As relates to CIL rates setting more widely it has been noted there is some room for pragmatism and for the selected approach to be informed by the evidence rather than needing to exactly mirror it, while remaining consistent with the guidance (PPG). Overlooking the above viability findings, we offer the following guides for LBB’s review, which in our view set out the parameters for considering suitable charging rates for the range of commercial, non-residential and other development uses that could come forward.

3.3.5 These are considered relevant borough-wide (i.e. with differentiation based on type, through clear description in the draft charging schedule, rather than by location i.e. zone or similar):

- **Larger format retail – i.e. foodstore/supermarket and retail warehousing developments** – The updated assessment indicates that a CIL rate of £100/sq. m would remain appropriate for any developments that progress i.e. as per the earlier PDCS consultation. An alternative might be to set a lower rate applicable to all retail, but with such an approach considered less responsive to other retail development types, as below.
- **All other retail developments** – while as per the earlier viability assessment work a lower charging rate (than above) appears supportable in some other circumstances, overall our suggestion for retail other than that within the scope of A above is for LBB to consider it again for a nil-rate approach (charging at £0/sq. m). This would be relevant to the development of small convenience stores of the type that fall beneath the Sunday Trading Act threshold, comparison shops, restaurants, small shops generally and also covering town centre retail – should such schemes come forward.
- **Purpose-built student housing accommodation** (e.g. in the form of both ‘cluster’ and ‘studio’ development), **and Co-Living developments** – the extended testing indicates strong viability and resultant scope for a suitable CIL rate for these developments being within the parameters £100 – 200/sq. m, with even the upper-end of this unlikely to go to the margins of viability so that a rate mid-range of around £150/sq. m would be well within this.
- **All other development uses** – in terms of other non-residential development uses, including offices, industrial/warehousing, car showrooms, hotels, care homes and similar (all tested) we also consider a nil rate to be appropriate at this stage.

This approach would be appropriate also to the much broader range of potential developments – for all other uses. Again, this continues to reflect our

previous findings in 2016 and is consistent with our recent and current experience of CIL viability work elsewhere. We note again that it does not mean that a range of schemes will not happen, as the consideration of viability is wider than relates to CIL and highly variable by scheme in practice, however for purposes of the appropriate available evidence on this it is not prudent and especially at this time to adopt the type of assumptions combinations that it appears would be needed to show sufficiently positive viability outcomes to support a meaningful level of CIL across the wide range of other development uses.

In looking also at wider matters to inform the necessary striking of an appropriate local balance between the desirability of funding infrastructure and the potential effects on the viability of development, LBB could consider alternatives such as a setting a low/nominal rate for other development uses rather a nil-rate, noting however that MCIL2 is already in place.

- 3.3.6 DSP will be pleased to assist the Council further if required – for example with any supplementary information that may be considered appropriate as the CIL proposals progress.

Notes and Limitations

1. The purpose of the assessment reported in this document is to inform and support the Council's work on further considering and progressing through further consultation the intended introduction of a Community Infrastructure Levy (CIL) Charging Schedule for the borough.
2. This report sets out options to inform the Council's consideration of potential CIL charging rates from a viability perspective whilst taking into account adopted local and national policies that may impact on development viability.
3. It provides additional and updated information building on the earlier viability assessment work completed in November 2016 by Dixon Searle partnership (DSP) - *Viability Assessment – Local Plan, AH and CIL - DSP ref. 14288* - to inform and support the Local Plan (subsequently adopted January 2019) and also inform an initial consultation stage on the Council's CIL proposals – Preliminary Draft Charging Schedule (March 2018). This has been a desk-top exercise based on information provided by London Borough of Bromley Council (LBB) supplemented with information gathered by and assumptions made by DSP appropriate to the current stage of review and to inform the Council's preparation of a CIL Charging Schedule for the borough (through a draft stage consultation).
4. This review has been carried out using well recognised residual valuation techniques by consultants highly experienced in the preparation of strategic viability assessments for local authority policy development including whole plan viability, affordable housing and CIL economic viability as well as providing site-specific viability reviews and advice. In order to carry out this type of assessment many assumptions are required alongside the consideration of a range and large quantity of information which rarely fits all eventualities.
5. It should be noted that every scheme is different, and no review of this nature can reflect the variances seen in site specific cases. Accordingly, this assessment (as with similar studies of its type) is not intended to prescribe land values or other assumptions. Specific assumptions and values applied for our test scenarios are unlikely to be appropriate for all developments. A degree of professional judgment is required. We are confident, however,

that our assumptions are reasonable in terms of making this viability overview and further informing and supporting the Council's approach to and proposals for a CIL.

6. Small changes in assumptions can have a significant individual or cumulative effect on the residual land value (RLV) or other surplus/deficit output generated – the indicative surpluses (or other outcomes) generated by the development appraisals for this review will not necessarily reflect site specific circumstances. Therefore, this assessment (as with similar studies of its type) is not intended to prescribe land values or other assumptions or otherwise substitute for the usual considerations and discussions that will continue to be needed as particular developments with varying characteristics come forward. Nevertheless, the assumptions used within this study reflect the policy requirements and strategy of the Council as known at the time of carrying out this review and therefore take into account the cumulative cost effects of policies where those are relevant in developing a CIL Charging Schedule.
7. The research, review work and reporting for this further assessment has been assembled at a time when there remain economic uncertainties associated with Brexit. In terms of the latest context potentially having a bearing on all of this, the Global COVID-19 (Coronavirus) pandemic situation is now dominating all aspects of the news and economy.
8. This may run through into many potential areas of influence on matters affecting viability or deliverability, short term in particular. However, there could be a range of influences and effects, not necessarily all negative in their impact on viability or other matters. At the point of this assessment while there are unknowns, and potentially significantly so, it is possible to work only with the known – i.e. available information at this point in time and as continues to be reflected in the usual way through the stated established information sources. At this stage it appears that it will then be for Local Authorities and others to consider how this picture may change – monitor it as best possible and consider any necessary updating of the evidence and local response in due course.
9. This is consistent with the approach that typically is taken already when either a significant amount of time passes, or other circumstances change during the period of Plan or CIL preparation/review. In the meantime, this work contains information on the impact of varied assumptions. Additionally, in considering the assessment we have also sought to provide wide sensitivity testing to inform the Council's consideration of development viability in the wider plan delivery context.

10. This document has been prepared for the stated objective and should not be used for any other purpose without the prior written authority of Dixon Searle Partnership Ltd (DSP); we accept no responsibility or liability for the consequences of this document being used for a purpose other than for which it was commissioned.
11. To the extent that the document is based on information supplied by others, DSP accepts no liability for any loss or damage suffered by the client or others who choose to rely on it.
12. In no way does this study provide formal valuation advice; it provides an overview not intended for other purposes nor to over-ride particular site considerations as the Council's policies will be applied at decision making stages.
13. DSP conducts its work only for Local Authorities and selected other public organisations. We do not act on behalf of any development interests. We are not involved in any other work within the London Brough of Bromley area at the current time, nor have we been during the course of this assessment.
14. In any event we can confirm that no conflict of interests exists, nor is likely to arise given our approach and client base. Our fees are all quoted in advance and agreed with clients on a fixed or capped basis, with no element whatsoever of incentive/performance related payment. Our project costs are simply built-up in advance, based on hourly/day rates and estimates of involved time. This is consistent with our standard approach.

Final report ends – DSP v2.4

Assessment work completed December 2019

Final report issue July 2020

INFRASTRUCTURE DELIVERY PLAN (IDP) UPDATE REPORT 2020



Date of drafting – 28 August 2020

The information contained in this document is based on the best available data, and is correct at the date of publication. The Infrastructure Delivery Plan (IDP) provides an overview of current infrastructure needs; it does not establish a hierarchy of future investment decisions by either the Council or other infrastructure delivery agencies.

The projections and infrastructure proposals may change over time, and the IDP will be updated periodically to incorporate such changes in line with new information and updated investment programmes

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1. INTRODUCTION

1.1 Bromley's Infrastructure Delivery Plan (IDP) sets out what infrastructure is required to support planned growth identified in the Local Plan. The Council, its partners and other stakeholders will use the document to ensure that the appropriate infrastructure is in place as growth is delivered. This document reviews and outlines the infrastructure needed to support the growth and objectives reflected in the Local Plan.

1.2 The infrastructure identified in the IDP, should be deliverable within the Plan period (2016-31) and includes details of where funding for this infrastructure will be sourced (where known). In cases where a gap is found between the identified infrastructure cost and the likely available funding to pay for infrastructure, this will be used to support the development of a Borough Community Infrastructure Levy (CIL), which can be charged on new development in Bromley and used to provide the items which are needed to support growth. However, there is likely to be many post-COVID impacts on infrastructure plans and delivery, but at this stage we do not know how significant they will be, and priority of projects might change but any infrastructure funded through CIL will align with updated priorities.

1.3 The IDP will be reviewed on a regular basis, and this is the first update, it will be treated as a 'live' document that will evolve over time as development potential is realised. It will also be used to inform decisions on infrastructure delivery, for example the allocation of CIL receipts to projects. The IDP can also be used as supporting evidence in bids for external funding and to support proposals for specific sites to be protected for use as schools or other infrastructure required throughout the plan period.

Background and Structure

1.4 The IDP looks at each infrastructure category that may be affected by growth over the next 15 years. To identify where there will be a need for new infrastructure and funding, the following has been assessed for each type:

- Existing infrastructure
- Future demand (from growth)
- Infrastructure costs (where applicable)
- Potential Funding sources

1.5 By reviewing the existing infrastructure and any existing deficit ('current shortfall'), the phasing of infrastructure delivery in the borough and how vital the infrastructure is to support growth can be assessed. Where an infrastructure deficit is found, the area can be prioritised for delivery in the early phases of the Local Plan, to support any further growth in the borough and confirm funding streams available to do so. This may have implications upon the funding available to deliver future infrastructure projects.

Infrastructure Delivery Plan Schedule

1.6 The Infrastructure Delivery Plan Schedule for the Borough over the Local Plan period of 2016-2031 is summarised in this document at Appendix 1, and is also part of the Local Plan (Appendix 10.13), and forms part of the Community Infrastructure Levy (CIL) evidence base. The schedule outlines the infrastructure, the relevance to the local plan with appropriate policy reference, rationale, funding arrangements and delivery details including who is responsible for delivery. The

timescales set out for the delivery of infrastructure are not definitive, and keeping the IDP updated will be essential. The IDP does not prioritise what funding should be allocated for infrastructure, and inclusion of a scheme does not guarantee that it will be delivered. Future iterations of the IDP schedule table will include more detailed information when available.

1.7 The criteria for projects listed in the IDP are:

- The infrastructure element contributes to the delivery of one or more of the Local Plan objectives; and
- The infrastructure element is required to address the demographic change, and requirements brought about by future development, and are not purely to address existing deficiency.

The Council's current approach to seeking developer contributions towards infrastructure provision is set out in Policy 125 in the Local Plan 2019, and the Planning Obligations Supplementary Planning Document (currently under review subject to adoption of the Council CIL Charging Schedule).

Reviewing and monitoring the IDP

1.8 Infrastructure requirements will change over the Plan period, (according to Council priorities) and the subsequent impacts post-COVID, of the planned growth as it occurs. This process will be managed by the governance structure which is put in place to manage infrastructure delivery and in line with the review process for the Borough's CIL. Progress in delivering infrastructure will be recorded through the council's Monitoring Reports. The required monitoring obligations will be complied with as set out in the CIL Regulations and National Planning Framework require all planning authorities to publish their contributions data on a regular basis and in an agreed format.

Supporting evidence for a Community Infrastructure Levy

1.9 Alongside the Viability evidence, the IDP provides part of the evidence base for the development of a borough CIL. To establish a CIL, it must be shown that there is a funding gap between the infrastructure needed and the funding available to deliver this infrastructure. Where this is established to be the case, funding can then be secured through a levy on development which must be set in accordance with the CIL regulations 2010 as amended. CIL can be spent on infrastructure to support development. The information presented here is seen as demonstrating a significant enough funding gap to justify an acceptable rate of CIL for the London Borough of Bromley.

Evidence base

1.10 Having identified the extent of the predicted growth for the Borough, the next step is to assess the required infrastructure provision. Engaging with infrastructure and service providers, both internal and external stakeholders, has made it possible to collate information either in person, or email, or from strategies, service plans, documents and reports.

1.11 The evidence base used to develop the Local Plan 2019, the Infrastructure Delivery Plan and subsequent CIL development must be consistent in content and this has been acknowledged throughout the IDP process.

1.12 Local and national standards for infrastructure provision are compiled by the government or particular organisations. Where appropriate, these have been used to establish levels of infrastructure which should be in place now and in the future. In other cases, the infrastructure identified will deliver specific elements of the emerging Local Plan vision for Bromley.

1.13 The infrastructure needs identified in this document are a snapshot of what is required at the time of preparing the respective evidence bases. While these assumptions have been justified, it is the case that the needs in Bromley may change and will be subject to regular review. The impact of economic conditions will be significant on the scale, timing and deliverability of the infrastructure at a time of significant constraints on public expenditure, with fewer resources available for infrastructure and other provision needed to support the growth identified.

Policy Context

1.14 National, regional and local plans and policies provide guidance for evaluating infrastructure requirements.

National Policy and Guidance

1.15. The Planning Act 2008 Part II (Section 216) defines infrastructure as including:

- Road and other transport facilities
- Flood defences
- Schools and other educational facilities
- Medical facilities
- Sporting and recreational facilities
- Open spaces,

1.16 Affordable housing was also originally included in the definition – however this was amended by the Localism Act 2011 and Reg 63 of the 2010 CIL Regulations. The Council has specific policies that set out the amount and types of affordable housing sought as part of the planning process which are updated in the Local Plan and are therefore not addressed further in this document.

1.17 This list is not exhaustive and therefore can include the other elements of infrastructure such as utility services.

1.18 The National Planning Policy Framework (NPPF) was first published in March 2012 setting out the government's planning policies for England and how these are expected to be applied. A revised NPPF was published in July 2018 and revised again and published in February 2019.

1.19 The NPPF states that the planning system should be genuinely plan-led and provide a framework for addressing housing needs and other economic, social and environmental priorities. Paragraph 7 and 8 makes clear the purpose of the planning system is to achieve sustainable development and to do this the planning system has to pursue the three overarching objectives; economic, social and environmental. The social objective is relevant to infrastructure and states: 'To support strong, vibrant and healthy communities...by fostering a well-designed and safe built environment, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural wellbeing.'

1.20 The NPPF (paragraph 92) expects Local Planning Authorities' planning policies and decisions to provide the social, recreational and cultural facilities and services the community needs by planning positively for the provision and use of shared spaces, community facilities (such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship) and other local services to enhance the sustainability of communities and residential environments. It is expected that we should take into account and support the delivery of local strategies to improve health, social and cultural well-being for all sections of the community and guard against the unnecessary loss of valued facilities and services.

1.21 Paragraph 96 states that planning policies should be based on robust and up-to-date assessments of the needs for open space, sport and recreation facilities (including quantitative or qualitative deficits or surpluses) and opportunities for new provision.

Planning Practice Guidance

1.22 The National Planning Practice Guidance sits alongside the NPPF and provides further advice and guidance on how the framework and policies should be applied.

1.23 The guidance recognises that the Local Plan needs to pay careful attention to identifying what infrastructure is required and how it can be funded and brought forward. The plan should also be positive and realistic about what can be achieved and when. The guidance recommends early work with infrastructure providers and assessment of the quality and capacity of infrastructure, and its ability to meet forecast demands. Where deficiencies are identified, policies should set out how those deficiencies will be addressed. The Local Plan should also take account of the need for strategic infrastructure.

1.24 The guidance also states that: 'the government recommends that when preparing a plan, strategic policy-making authorities use available evidence of infrastructure requirements to prepare an Infrastructure Funding Statement. This should set out the anticipated funding from developer contributions, and the choices local authorities have made about how these contributions will be used. At the next iteration of the Local Plan of the At examination this can be used to demonstrate the delivery of infrastructure throughout the plan-period.'

1.25 The guidance recommends that authorities consider the impact of policies on development viability so that the contributions expected from development do not undermine delivery of the plan. The Viability evidence produced for the Local Plan 2019 has been updated and is used to support the development of the Local Bromley CIL.

London Policy Context

1.26 The London Plan (2016) (which consolidated all the alterations to the London Plan since 2011), is the overall strategic plan for London setting out an integrated economic, environmental, transport and social framework for the development of London. The London Plan sets out the framework for the development and use of land in London linking necessary improvements to infrastructure (especially transport) setting out proposals for implementation, coordination and resourcing. The London plan deals with things of strategic importance setting the policy context within

which boroughs should set out their detailed local planning policies. The plan sets out a spatial vision followed by various topic-based chapters including housing and social infrastructure. The plan sets housing targets for London Boroughs. The annual average housing supply monitoring target for Bromley is 641 per year for the 2015-2025 period

1.27. The London Mayor consulted on the draft New London Plan between December 2017 and March 2018. An Examination in Public on the draft plan was held between January and May 2019. This London Plan has yet to be adopted but the annual housing supply figure target is increased from 641 for Bromley and is listed as 774 therefore a new 7,740 ten year housing target.

London Infrastructure Plan

1.28. The London Infrastructure Plan 2050 was published by the GLA in 2014 and updated in 2015. It is the first ever attempt to identify, prioritise and cost London's future infrastructure requirements to 2050. There are a number of focus areas for the Plan in its early years as follows:

- Energy Infrastructure – developing a London energy plan and zero carbon modelling; reducing overall energy demand by improving building stock and the energy performance of new buildings; ensuring a reliable low carbon and effective energy system; and securing investment in infrastructure ahead of need.
- Waste and recycling – designing out waste; keeping materials in use at their highest level for as long as possible; and minimising environmental impact.
- Water management – water supply, water resource and wastewater; flood risk; drainage; water pollution issues
- Green Infrastructure – changing from seeing individual green spaces as a liability towards seeing green infrastructure as a strategic asset that is just as important as other infrastructure like railways, roads, pipes and cables.
- Digital Connectivity - developing a package of measures to boost digital connectivity across the capital and tackle London's areas of poor connectivity including appointing a troubleshooting not spot team; Bringing mobile connectivity to the London Underground; Making connectivity a key part of the London Plan; Providing connectivity guidance to Boroughs.

The Mayor's Transport Strategy

1.29. The Mayor's Transport Strategy was published in 2018 after a significant consultation process. It states that London's continuing economic success relies upon reducing Londoner's dependency on cars in favour of increased walking, cycling and public transport use and sets a central aim for 80 per cent of all trips in London to be made on foot, by cycle or using public transport by 2041. The transport strategy also has a Healthy Streets approach which aims to put human health and wellbeing at the heart of planning for London.

1.30. Each London Borough is required to produce its own Transport Strategy which sets out how it plans to implement the Mayor's Transport Strategy at the borough level and is the means by which each Borough gains funding from TfL, through the Local Implementation Plan (LIP) and other non-formula funding allocations, for the next 3 years to implement their respective transport programmes.

Bromley's Transport Strategy

1.31. This document is Bromley's transport strategy for the next three years and is the Local Implementation Plan (LIP) of the Mayor of London's wider transport objectives for London as set out in the Mayor's Transport Strategy (MTS).

1.32. In the context of a growing city, Bromley's population is predicted to increase by almost 30,000 by 2032. This level of population growth will present challenges for the Borough's transport networks, to ensure that residents can still move about safely and efficiently to access employment, education, health provision, retail and leisure opportunities. Providing an efficient transport network has a central role in ensuring the quality of life in Bromley and promoting economic growth across the Borough.

1.33. If this growth in demand for travel were to be accompanied by an equal growth in-car use, congestion and traffic would get worse, with slower journeys for residents and businesses and air quality will deteriorate. To accommodate this increase in demand requires us to make the most efficient use of the capacity we have on our transport networks, through the use of space-efficient modes. Essentially this means that high quality, attractive alternatives to car travel need to be developed to provide genuine transport choice and to avoid gridlock in the more built-up parts of the Borough. We need to focus on the most efficient use of the available capacity and encourage residents to choose the most appropriate mode for their particular journey, thereby enhancing the Borough's quality of life, health and local economy; these high level objectives are set out in "Building a Better Bromley".

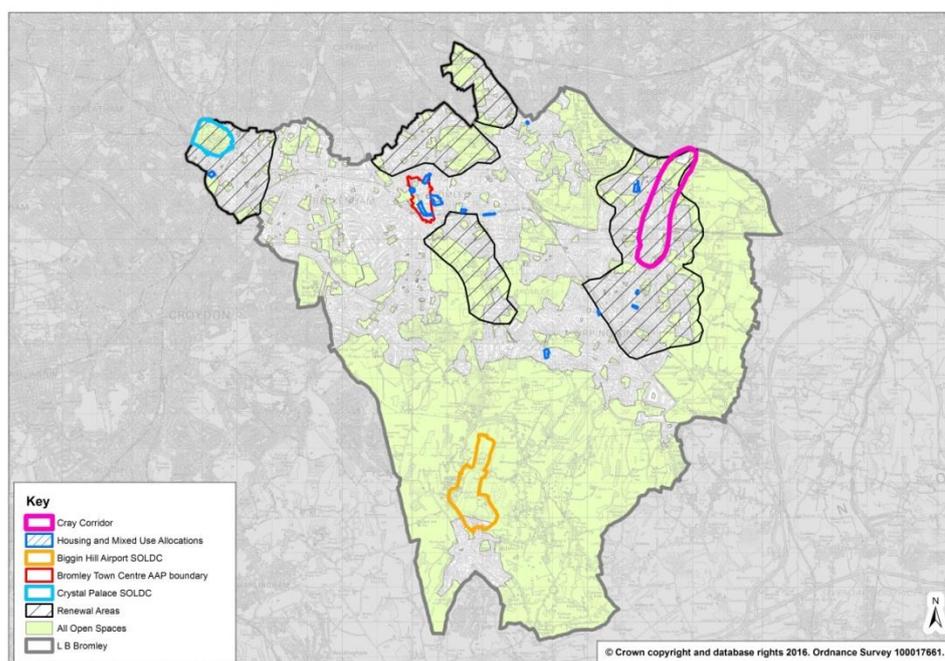
1.34. Transport has a key role to play in delivering these objectives, for example by providing attractive walking and cycling infrastructure, residents will be able to undertake exercise as part of their everyday routine, such as travelling to the station, improving their health and reducing the chance of disease, thereby supporting independence and promoting a healthy Bromley. Similarly, whilst the Borough does not have the same air quality problems as inner and central London, the Council will work to maintain and improve its air quality in a targeted way that supports the ambition for a Quality Environment and Healthy Bromley.

Bromley's Local Plan adopted 2019

1.35. The London Borough of Bromley's Local Plan sets out the Spatial Strategy for sustainable growth in the borough to 2031. The Spatial Strategy identifies locations for strategic development and in broad terms the location for growth, areas with significant opportunities for change and enhancement, as well as areas where protection and more constrained development is anticipated, they are:-

- Bromley Town Centre – a focus for sustainable growth of retail, office, homes, and leisure and cultural activities.
- Cray Business Corridor - the main industrial and business area within the Borough, providing accommodation for a full range of businesses, and improving the offer for modern business. Biggin Hill SOLDC a cluster of businesses focused on aviation and high tech related industries.
- Crystal Palace SOLDC. Protect and enhance the quality and character of all Bromley's Places.
- Protect and enhance the Borough's varied open spaces and natural environment. Improvement of Renewal Areas.
- Maintain and enhance the network of town centres, local centres and neighbourhood parades

Figure 1. LB Bromley Spatial Strategy Map



Source: London Borough of Bromley 2016

1.36 The infrastructure needs that arise from this growth will form the basis for the Infrastructure Delivery Plan (IDP). In general the recommended sites included in the Local Plan for new development (Appendix 10.2) are in areas already well served by infrastructure provision, it is important that the specific site allocations in the Local Plan are supported by the necessary infrastructure to ensure sustainable development takes place. Some of this will be site specific and will be identified within individual allocations, but, in other cases, growth in general will need to be supported by additional physical, social and green infrastructure to cater for the additional population and provide services and facilities. Local Plan Policies require developers to provide the necessary infrastructure for their proposals.

1.37. The overarching planning obligations Policy 125 'Delivery and Implementation of the Local Plan states that: *The Council will work with partners to deliver the vision, objectives and policies of this Local Plan:*

- *Requiring development to provide for the infrastructure, facilities, amenities and other planning benefits that are necessary to support and serve it;*
- *Working with relevant providers and developers to ensure necessary infrastructure is secured and delivered in time to support Bromley's consolidated growth and development and provide facilities for the borough's communities;*
- *Using planning obligations where appropriate alongside other suitable funding mechanisms to support the delivery of infrastructure, facilities and services to meet needs generated by development and to mitigate the impact of development;*
- *Working with neighbouring boroughs to co-ordinate delivery across boundaries;*

Community Infrastructure Levy (CIL)

1.38 The Planning Act 2008 contained enabling legislation for the charging of a Community Infrastructure Levy (CIL) which was then prescribed in detail in the CIL Regulations 2010 (which has seen subsequent amendments). The regulations authorise local planning authorities to charge a levy on most types of new development in their area for the purpose of securing funding for local infrastructure.

1.39 Changes to government legislation over the years have modified how infrastructure planning is undertaken and has strengthened the link between the Local Plan and the delivery of infrastructure. CIL guidance sets out how infrastructure planning should be carried out to inform the CIL process and the direct relationship that this should have to the infrastructure assessment which ‘underpins the relevant plan’. This guidance also clarifies the link which is required between the infrastructure identified at the planning stage and that which is funded through the CIL once adopted.

1.40. In April 2012, the Mayor of London implemented a charging schedule (MCIL1) across 33 London Boroughs in order to generate a £300m London-wide contribution towards the funding of Crossrail. In London there are three ‘charging bands’, of which Bromley’s is in ‘Zone 2’, which means that all development liable to CIL was charged at a rate of £35 per sq. Metre.

1.41. Following on from MCIL1, on 1 April 2019 the Mayor adopted MCIL2 for the purpose of funding Crossrail 2; a proposed new railway serving London and the wider South East. MCIL2 supersedes MCIL1 and will be used to contribute to £4.5 billion of funding for Crossrail 2 (or other transport infrastructure projects in the event that Crossrail 2 does not go ahead). Bromley is again a Band 2 authority, and the MCIL2 charge is £60 per sq. metre.

1.42. The viability evidence used to assess the appropriate local CIL rate to be charged in the Borough of Bromley takes into account the Mayoral CIL rate of £60 per sq. metre. The proposed local rate put forward at Draft Charging Schedule stage, alongside the updated Mayoral CIL 2 rate will be carefully considered and viability tested to support the Local Plan before Examination, and Adoption.

1.43. For certain developments coming forward there will still be requirements for planning obligations to be secured via Section 106 Agreements to ensure acceptable development. A Planning Obligations Supplementary Planning Document (SPD) was adopted in 2010 which sets out when specific planning obligations may be sought from developments; this SPD will be revised following adoption of the local CIL charge.

Demographic Change in Bromley and Population Projections

1.44 The population estimates show that the Borough’s growth is projected to continue in over the Local Plan period in accordance with the GLA’s population projections¹.

¹ GLA 2019-based long-term trend-based population projections (using 15 year migration scenario) Available: <https://data.london.gov.uk/dataset/gla-population-projections-custom-age-tables?q=long%20term%20migration%20scenario%20>

Table 1.1: Bromley's Population

Estimated Population	London Borough of Bromley
Census Data 2001	295,532
Census Data 2011	309,392
GLA Population 2016	327,400
GLA Projected Population 2019	336,600
GLA Projected Population 2031	370,400
Change (%) over Plan Period (2019-2031)	10.04%

1. 45. Based upon the findings of the 2011 census, both the GLA and the Ministry of Housing, Communities and Local Government (MHCLG) have produced revised population projections. The 2011 census highlighted that previous GLA predictions had underestimated growth in London which has been attributed to an issue in calculating net in-migration. The revised projections have been used in the Local Plan and to inform the Infrastructure Delivery Plan (IDP). The limitations of past GLA projections highlight the uncertainty in estimating population growth. The data included in the table above should be read with the understanding that whilst it is possible to review past trends, it is not possible to accurately predict future demographic trends.

Table 1.2: Bromley Population Projections by Ward²

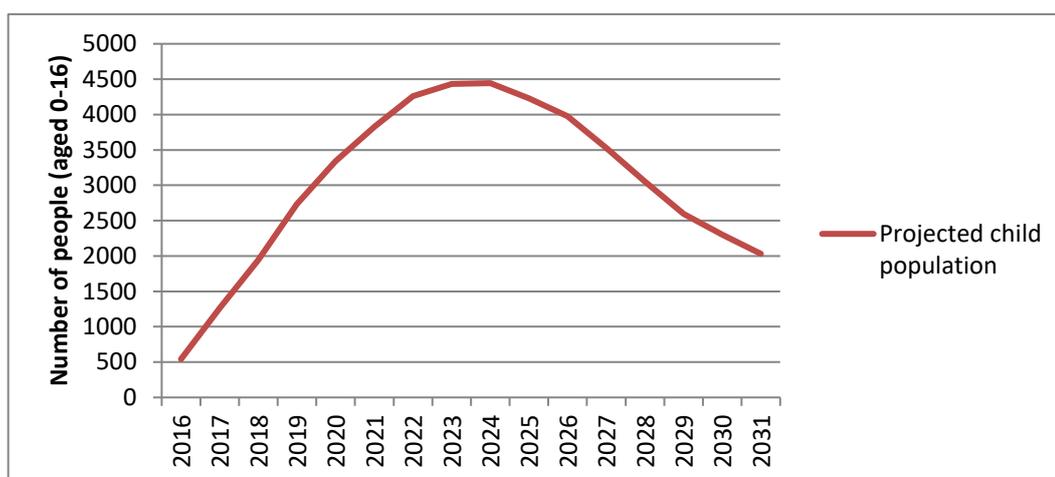
Ward	2016	2019	2031	% Change 2019-2031
Bickley	16,000	16,350	17,800	+8.86%
Biggin Hill	10,550	10,850	10,600	-2.30%
Bromley Common & Keston	17,600	17,900	17,450	-2.51%
Bromley Town	18,750	19,600	26,100	+33.16%
Chelsfield & Pratts Bottom	15,050	15,350	15,900	+3.58%
Chislehurst	16,500	16,900	17,000	+0.59%
Clock House	16,600	16,850	17,800	+5.64%
Copers Cope	16,400	16,850	17,600	+4.45%
Cray Valley East	16,350	16,600	17,000	+2.41%
Cray Valley West	17,300	17,550	18,600	+5.98%
Crystal Palace	13,300	13,550	14,300	+5.35%
Darwin	5,500	5,550	5,450	-1.80%
Farnborough & Crofton	14,900	15,250	15,950	+4.59%
Hayes & Coney Hall	16,400	16,700	18,050	+8.08%
Kelsey & Eden Park	16,550	16,900	19,300	+14.20%
Mottingham & Chislehurst North	10,500	10,600	10,400	-1.89%
Orpington	15,450	15,750	17,200	+9.21%
Penge & Cator	18,050	18,350	19,250	+4.90%
Petts Wood & Knoll	14,200	14,550	17,200	+18.21%
Plaistow & Sundridge	16,100	16,550	17,400	+5.32%
Shortlands	10,250	10,450	10,800	+3.49%
West Wickham	15,150	15,250	17,100	+12.13%
Total	327,450	334,250	358,250	+7.18%

² GLA 2019-based ward housing led population projections (2019) Available: <https://data.london.gov.uk/dataset/gla-population-projections-custom-age-tables>

Child Yield

1.46. The number of children (0-16) projected to live in the Borough in the following graph is also estimated using the GLA Population Projection figures. It is predicted that the number of children will increase dramatically until 2024 and then begin to decrease. The large increase in numbers of children from the baseline figure in 2016 to the end of the plan period in 2031 can be seen below. As before, these forecasts are an estimate and should be read with the understanding that they are likely to be inaccurate. These predictions will impact upon the need for further educational infrastructure.

Figure 1.1: Additional Number of Children per year from 2016 Baseline³



Employment

1.47. The London Plan 2016 includes a forecast of growth in Employment for Bromley - from 118,000 in 2011 to 134,000 in 2036 (13.6%). Bromley's Local Plan identifies the Cray Business Corridor, Bromley Town Centre, and Biggin Hill SOLDC to be the main areas of growth. However, the network of town centres and business areas will continue to play an important role.

1.48. The Local Plan evidence base identifies a significant requirement for office space, driven by business services and financial services, as well as growth in employment in utilities, wholesale, retail and transport/storage. The following gross additional increase in land uses is planned to take place in Bromley Town Centre:

- B1 Business: 7,000sqm
- A1 Retail: 42,000sqm
- A3/A4/A5 Food and Drink: 7,500sqm
- Hotel Beds: 350sqm
- Leisure: 4,000sqm
- Community: 3,500sqm

³ GLA Population Projections for London Borough of Bromley (2019)

Housing

1.49. The London Plan 2016 requires Bromley to provide a minimum of 641 new homes per annum from 2015-2025. Based on these figures, a minimum total of 6,413 new homes need to be planned for over a 10 year period. However if the Draft London Plan is adopted the figure will be as 774 therefore there will be a new 7,740 ten year housing target.

1.50. A significant proportion of the housing anticipated in Bromley over the next 15 years will be delivered through the site allocations in Bromley's Local Plan. The Council identified 13 allocated sites in the Borough which would be suitable for residential and/or mixed-use development (Local Plan 2019, Appendix 10.2). There are also estates⁴ and areas of the Borough which would benefit from regeneration, and this would be an opportunity to increase density of housing, as well as to improve community facilities as schools, libraries and leisure centres. Over half of the Borough's area is open countryside protected by the designation of Green Belt and the pattern of existing development in the borough is predominately scattered across the northern part of the borough and is focused around the main population centres. Additional housing sites will be brought forward during this timeframe; however their location is yet to be determined.

⁴ LB Bromley Housing Strategy 2019-29

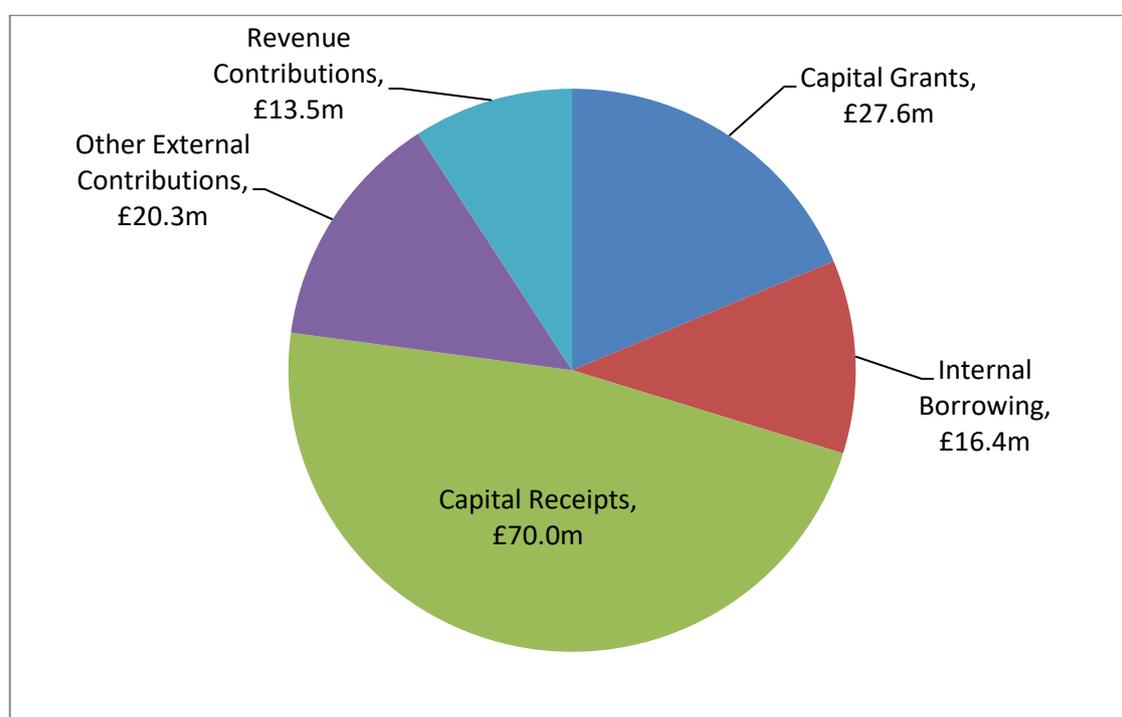
2. INFRASTRUCTURE FUNDING SOURCES

2.1 When assessing the deliverability and costs of infrastructure items, existing funding sources must be taken into consideration. Infrastructure can be funded through a variety of different mechanisms. Whilst some infrastructure projects may be funded from current and forecast contributions, others may require a complex mix of funding streams. Some funding streams are often only confirmed in the shorter term, some are subject to funding bids and others will continue to evolve. Exploring a range of funding opportunities is vital and this section sets out some of the key sources of funding available.

Council Capital Programme

2.2 Funding for key projects, including infrastructure, is available through the Capital Programme. In the current four year period (to 2023/24) the programme totals £147.8m. The key capital projects and associated funding are shown below.

Fig 2.1 Capital Programme Funding sources



Funding Source	Proportion
Capital Grants	19%
Other External Contributions	14%
Capital Receipts	47%
Revenue Contributions	9%
Internal Borrowing	11%

2.3 Capital Bids for new schemes are submitted by departments annually as part of an Annual Capital Programme Review. Successful bids are included in the Programme following consideration of a detailed business case and feasibility study where relevant funding sources, as well as any ongoing revenue implications, will be identified. All capital schemes are subject to a post-completion review within one year of completion.

Council Investment Fund and Growth Fund

2.4 To help support the achievement of sustainable savings and income, the Council has set aside funding in the Investment Fund earmarked reserve to contribute towards the Council's economic development and investment opportunities. To date, total funding of £84.50m has been placed in the Investment Fund earmarked reserve and £39.2m placed in the Growth Fund earmarked reserve.

2.5 To date, schemes totalling £119m have been approved (£92.3m on the Investment Fund and £26.5m on the Growth Fund), and the uncommitted balances as at the end of June 2020 stand at £12.5m for the Investment Fund and £12.7m for the Growth Fund.

Community Infrastructure Levy

2.6 The Community Infrastructure Levy (CIL) Regulations were introduced to enable planning authorities to set a charge for new development in their area and use the funds to help deliver supporting infrastructure. To introduce a CIL, authorities are required to demonstrate an infrastructure funding gap and consider the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development across its area. Authorities are required to produce an annual Infrastructure Funding Statement which will set out how CIL is to be used, and in particular identifying the balance between use of CIL and S106. This provides clarity about what developers are required to pay for and through which route.

2.7 In addition to the Mayor of London's Community Infrastructure Levy (CIL), the Council is in the process of developing a local CIL. The preliminary draft charging schedule document was the first consultation in this process. All the responses submitted during the consultation will be used to refine the viability evidence and the proposed CIL rates, as well as informing the draft charging schedule. A second consultation is expected to take place during 2020/21.

Section 106 Contributions

2.8 A planning obligation made under Section 106 of the Town and Country Planning Act 1990 may require developer contribution towards infrastructure to mitigate the impacts of a development proposal. This is an existing mechanism to secure contributions towards infrastructure delivery.

2.9 A Section 106 agreement is negotiated at the point of a planning application and becomes a signed legal agreement between the Council and the developer. Contributions are subject to the conditions set out in the legal agreement.

2.10 Any contribution should meet all the statutory tests set out in the CIL Regulations 2010 (Regulation 122 (2)):-

A planning obligation may only constitute a reason for granting planning permission for the development if the obligation is -

- (a) Necessary to make the development acceptable in planning terms;
- (b) Directly related to the development; and
- (c) Fairly and reasonably related in scale and kind to the development.

New Homes Bonus (NHB)

2.11. In 2011 the Government committed to provide a ‘bonus’ for new homes by match funding the additional council tax for new home and empty properties brought back into use, with an additional amount for new affordable homes, for a period of six years. The payment to the Council for 2020/21 was £1,612,358.60. Funding has reduced significantly over the years and it is understood that the current Government is committed to reform the New Homes and is reviewing the future of the scheme.

Business Rates

2.12 Under the Business Rates Retention arrangements introduced from 1st April 2013, authorities keep a proportion of business rates paid locally. The Council previously retained a 30% share of local business rates with 50% retained by the Government and 20% retained by the GLA. This was changed in 2018/19 to reflect the 100% devolution to London as part of the London Business Rate Pilot Pool.

2.13. The above change will provide an opportunity to generate additional income through the uplift in business rates arising from economic growth as the Council will retain a higher share. The Council will also carry the downside risks, such as the impact of rating appeals. However, generating additional business rate income will become more critical as core grant funding will be phased out. The Council’s investment in growth and economic development will contribute towards increased business rate income.

2.14 The total annual business rates collected is approximately £93m. Income received from business rates is not ring-fenced and provides funding for the delivery of the Council’s core services.

Business Rate Supplement (BRS)

2.15 Local Authorities can place a supplement on business rates and retain the proceeds for investment in the economic development of an area. The Council does not currently have a BRS scheme in place, but the Mayor of London introduced a BRS levy to contribute towards the cost of the Crossrail project.

2.16 Some examples of other funding sources are shown in Table 2.2.

Table 2.2 Funding Sources examples.

Joint Ventures and Public/Private Delivery Vehicles	Provides a partnership approach to the delivery of infrastructure services and projects.
Tax Increment Financing (TIF)	TIF involves re-investing a proportion of future business rate income from an area back into infrastructure and related development.
Prudential Borrowing	A local authority can utilise powers under the Prudential Code to borrow to finance infrastructure or development needs.
Single Local Growth Fund	A single funding pot to support growth

	for which Local Enterprise Partnership (LEP) areas can bid.
Heritage Lottery Fund	Supports projects across the UK aimed at helping people explore, enjoy and protect our heritage.
Big Lottery Fund	Provides funding for community groups and projects that improve health, education and the environment.
Business Improvement District	A Business Improvement District (BID) is a business led and business funded scheme to improve a defined commercial area, such as a town centre or industrial estate through additional services or new initiatives.

3. TRANSPORT

Definition

3.1 Transport infrastructure involves more than providing extra capacity on the road and public transport network, it is also about improving accessibility for all residents including by foot, bicycle and interchange between travel modes, especially in areas of growth. Ensuring transport infrastructure is adequate to support growth in the borough is a key part of the Infrastructure Delivery Plan and its implementation. However, in accordance with the aims and objectives of the Mayor's Transport Strategy and the Borough's Transport Strategy, increases in transport capacity are only acceptable if they are for sustainable modes of transport, not solely for the private car.

Existing Infrastructure provision

3.2 The transport network in the London Borough of Bromley (LBB) is the responsibility of a number of organisations.

3.3 Transport for London (TfL) is responsible for the Transport for London Road Network (TLRN) and its subsequent maintenance, the Borough's 'Red Routes' and Bus Network. The Department for Transport and Network Rail are responsible for the rail infrastructure of all mainlines in the Borough. Southeastern Railways operate rail services on the Bromley North Line, Hayes Line, Chatham Main Line, and South Eastern Main Line. Govia Thameslink Railway (GTR) are responsible for Thameslink services primarily on the South Eastern Main and Southern (part of GTR) for services on the Crystal Palace line. London Overground, part of TfL, are responsible for services on the East London Line. Tram services are the responsibility of London Trams, which is also part of TfL. Please note that operators are subject to change and may be affected by any future rail devolution. Bromley Council is responsible for all remaining roads within the Borough's boundary.

3.4 Whilst the Borough does not have the same air quality problems as inner and central London, the Council aims to maintain and improve its air quality in a targeted way. In 2007 the Council declared an Air Quality Management Area ⁵(AQMA) which covers the north and North West of the Borough in response to predicted exceedances in nitrogen dioxide levels. Subsequent air quality monitoring for nitrogen dioxide, published in the Council's Annual Status Reports, has shown that anticipated reductions in roadside pollution levels have fallen at a slower rate than originally anticipated. The Council's Air Quality Action Plan 2020-25 currently out on public consultation (June 2020) proposes that a key action is to improve walking and cycling infrastructure and to promote the use of greener routes such as the National Cycle network. There are over 100 miles of cycle routes across the borough, located both off road and in quieter residential areas. There are also 12 designated cycle routes. The transport networks within Bromley broadly reflect the Borough's geography, with more densely developed areas having increased levels of access to public transport when compared with the borough's more rural sectors. Bromley's Third Local Implementation Plan 2019 (LIP) ⁶outlines the existing transport provision at various geographical scales (see Table 3.1).

⁵ Draft Air Quality Action Plan (AQAP) 2020-2025

⁶ Local Implementation Plan 2019

3.5 The preparation of a LIP is a statutory requirement by the Greater London Authority (GLA) on London boroughs and outlines the Borough's proposals for implementing the Mayor's Transport Strategy.

Table 3.1 Bromley's Transport Geography

Level	Key transport connections	Stations/stops interchanges
London-Wide	<p>Rail: South Eastern, Govia Thameslink Railway</p> <p>Road: A21</p> <p>Rail Termini: London Bridge, Cannon Street, Charing Cross, London Victoria, Waterloo East, Blackfriars, and Lewisham (for Docklands Light Railway (DLR)).</p>	
Sub-Region South (adjacent to East and Central Sub regions)	<p>TLRN: A21, A232, A20</p> <p>Major Borough Roads: A222, A224, A232, A234, A2015</p> <p>Bus Corridors: A21, A222</p> <p>Cycling Corridors: 5 London Cycle Network (LCN)+ Routes and 14 established borough cycling routes</p> <p>Major Walking Routes: London Loop, Green Chain and the Capital Ring, along with 9 borough-defined healthy walks.</p>	<p>Railway Stations: 26 in total</p> <p>Bus Interchange: Bromley North, Orpington Station, Elmers End</p> <p>Train/Tram Interchange: Beckenham Junction, Elmers End</p> <p>Freight Distribution Centres: None</p>
Local	<p>Roads and streets: 43 miles/ 70km of principal roads, 458 miles/ 737 km of local roads and 12 miles/ 20km of Transport for London roads.</p> <p>Bus Routes: 61 routes service the borough</p> <p>Cycling: 100 miles/ 150km of cycle ways across the borough</p> <p>Walking: 870 miles/1400km of footway</p>	<p>Bus Stops Total: 1040 within the borough</p> <p>Bus Stops with Proposed Countdown Signs from 2012: 74</p> <p>No. of Rail/Tram Stations with Cycle Parking: 25</p> <p>No. of Rail/Tram Stations with full or partial mobility impaired access: Full: 8 Partial: 9 None: 117</p>

Source: London Borough of Bromley 2020

3.6 There are 26 national rail stations and 5 Tramlink stops in the borough. Bromley South and Orpington are the busiest national rail stations.

⁷ Bromley's Second Local Implementation Plan October 2013

Current Shortfall

Rail

3.7 London Bridge station has reopened after substantial changes as part of the Thameslink improvements. This has increased capacity through central London. The introduction of Class 700 rolling stock and a new service timetable for Thameslink services has seen an improvement in capacity and frequency since 2018. South Eastern services have remained the same since the introduction of their franchise.

Bus

3.8 Bus wait times have continued to increase on some routes, largely as a result of congestion. The bus is a key mode for the South sub-region, as the South continues to grow there is a need to ensure that appropriate measures are taken to maintain attractive and reliable bus services.⁸

3.9 Bus Mode Share in the sub-region has continued to increase faster than any other sub-region. TfL will continue to plan, monitor and manage the bus network and make any changes to meet demand. Current bus-standing facilities in Bromley Town Centre (particularly around Bromley North station and also in Simpson's Road near Bromley South station) are at capacity and limit the opportunity to terminate services within the town centre. There also remain only two direct bus services between Biggin Hill and Bromley Town Centre and no direct high frequency services between Biggin Hill and New Addington. The 314 bus service between New Addington and Eltham via Bromley town centre has been improved in frequency.

Roads

3.10 Traffic congestion on part of the road network; namely the A21, A24, A222 and A232 can be particularly bad during weekday morning peak periods. A study undertaken by SKM Colin Buchanan (June 2010) identified a number of pinch points on the road network that contributed to traffic congestion issues. This report formed the basis of congestion relief schemes funded through the Local Implementation Plan (LIP). Outstanding LIP schemes awaiting implementation include:

- A21 Masons Hill, between Kentish Way
- Keston Mark (A232 Croydon Road and the A233 Westerham Road)
- A21/ Oakley Road (TLRN)

3.11 The planning status of these schemes varies, although the responsibility for planning and implementing those schemes on the TLRN lies with TfL. However, funding the schemes could be a joint responsibility between TfL and LBB, particularly where the traffic congestion impact is on a principle road.

3.12 The latest survey (2015/16) identified 7.2% of the principal road network in Bromley to be in need of maintenance, based on a DVI (detailed visual inspection). The DVI surveys are undertaken each year by LB Hammersmith & Fulham on behalf of all London boroughs, to ensure consistency across the capital. The cost of the surveys is met by TfL, as the results are used to allocate principal road maintenance

⁸ South London Sub-regional Transport Plan 2016 update

funding. Planned works for principal roads are funded by TfL through the LIP process.

Future Demand

Rail

3.13 According to the 2011 Census, travel by train was the second most popular method of travel to work by Borough residents, with 32.7 per cent of Bromley residents travelling to work by train. An additional 3.5 per cent travelled by Underground, Metro, Light rail or Tram (Tramlink serving Beckenham Junction and Elmers End).

3.14 The introduction of Class 700 rolling stock and a new service timetable for Thameslink services has seen an improvement in capacity and frequency for services calling at Ravensbourne, Shortlands, Bromley South, and Bickley. The Sevenoaks/Orpington, Bromley South/Blackfriars Thameslink service via the Catford loop has been increased to 4 trains an hour on weekdays.

3.15 The Orpington – Bromley South – Victoria Southeastern service increased to 4 trains per hour off-peak in 2006 when the Eurostar services which used this line transferred to the high speed line via Ashford International. The additional capacity allowed Southeastern to increase frequency between Orpington and Victoria and no further increases are currently planned.

3.16 Possible further options for lengthening trains are being reviewed and developed by a Network Rail team working on the forthcoming Kent Route Study. The Route Study is a 30-year strategy document for the route looking forward to 2044 and then identifying priorities for the next funding period; Control Period 6 (2019-2024).

3.17 The Kent Route Study will also look at the land implications, depot and stabling facilities across the Kent route. This will establish where depots or stabling facilities may need to be provided going forward or where the existing stabling facilities may need to be enlarged to accommodate larger trains.

3.18 Internal Network Rail processes have identified that Bromley South and Beckenham Junction stations will require enhancements to accommodate forecast growth at these locations. A high level review of the areas of development and growth, put forward by LB Bromley, have established a potential need for enhancements at Anerley and Crystal Palace stations to accommodate forecast growth. This will remain subject to review and potentially require a station capacity assessment to be undertaken to gain current day baseline information for the purposes of modelling the impact of forecast growth.

3.19 TfL has an aspiration to increase the frequency of Overground services by 2 trains per hour to Crystal Palace (shorter term) and West Croydon (longer term). For the latter, serving Penge West and Anerley, grade separation of Gloucester Road junction between Norwood Junction and West Croydon is likely to be necessary.

3.20 The Borough currently lacks a direct rail link to Canary Wharf; it is therefore a Council aspiration to have the Docklands Light Railway (DLR) extended to Bromley North. Whilst this is currently unfunded, it is felt that this project would derive significant benefits for the Borough.

3.21 A Bakerloo Line extension into Bromley has been discussed, and after assessing a number of options, TfL has decided to focus on an extension from Elephant & Castle to Lewisham via the Old Kent Road as a first phase. Beyond 2030, subject to further work a future phase could see the line being extended to Hayes via Eden Park and/or to Bromley Town Centre from Beckenham Junction at costs in the region of £3bn. The Council will continue to consider the wider benefits and community concerns of the proposal.

3.22 TfL are proposing a new partnership with the Department for Transport (DfT) that will work with local authorities and train operators to provide strategic direction to the specification and management of rail passenger services across London and the South East. TfL are also proposing to complete the transfer of responsibility from the DfT to TfL for inner suburban rail services that operate mostly or wholly within Greater London.

3.23 This suburban devolution proposal is looking at a new metro system (Metroisation) for south London. The devolution proposals could include an increase in capacity of services which call at stations in the borough from 2021. TfL have advised that, this could include continued lengthening of all inner suburban services running via Bromley South (to 10 car) and Grove Park (to 12 car). Following that, higher frequency inner suburban services via both Bromley South and Grove Park through Metroisation could be enabled by technological improvements, more efficient use of existing infrastructure and targeted infrastructure schemes.

Bus

3.24 Bus priority opportunities are being monitored and are implemented where possible. Current priorities in Bromley include the retention and improvement of the facility at Bromley North.

3.25 TfL requested inclusion of enhanced bus infrastructure in Bromley Town Centre, There is no cost of this work and it depends on the impact arising from the scheme at Bromley North and associated improvements at Lewisham and Croydon. However, the potential developer of the Bromley North site would be expected to include this re-provision within the scheme proposal. Any associated costs can be updated in due course.

Trams

3.26 Passenger numbers are expected to reach nearly 60 million by 2030. 'Trams 2030' is TfL's proposed 15-year plan to accommodate growing demand, improve reliability and support the regeneration of numerous town centres. It includes the Wimbledon line enhancement programme and the current proposals including major upgrades and expansions to the network. In order to support future capacity increases, new and expanded maintenance facilities are needed. TfL are exploring additional facilities at Elmers End with a joint estimated cost of £39m for stabling and platform facilities. TfL is looking to significantly enhance frequency and capacity on the Beckenham Junction Line, with additional trams and line upgrade, which has a project cost of £28m.

Walking, Cycling, and Roads

3.27 TfL is transforming conditions for all road users and pedestrians with initiatives such as the Roads Modernisation programme, an integrated approach to the way London is changing and growing, which looks to create better places, better

cycling and pedestrian routes and safer streets. Strategic analysis is available within the Sub-regional Transport Plan⁹, giving an indication of the high level transport requirements within LB Bromley. An example of this is the funding, through the LIP, of the Crofton Road pedestrian and cycle route, in Orpington, a distance of approximately 1.4km, which will also result in significant tree planting, additional greenspace and areas of sustainable drainage.

3.28 TfL's study has identified a number of improvements that are feasible that could reduce delays and congestion for users accessing Bromley town centre, helping to retain Bromley's status as a key shopping destination. Essential to this is improving capacity for pedestrians, cycles and buses.

3.29 The Council is working with TfL on measures to improve the A21 in the area. A wider study via a revised modelling exercise will suggest improvements that are proposed, including around some of the Bromley Town Centre junctions on the A21.

3.30 Measures will also be taken to improve accessibility to Biggin Hill in light of the proposed London Plan designation of Biggin Hill as a Strategic Outer London Development Centre (SOLDC) and includes a scheme at A233/A232, Keston Mark.¹⁰

3.31 On a site by site basis, TfL assesses the impact of development proposals on the network and in conjunction with London Plan policy. Where mitigation is necessary, TfL works with the Council and GLA to secure this in line with statutory tests. Much of this strategic analysis will be available within the Sub-regional Transport Plan which will give an indication of the high level transport requirements within LBB, based on current analysis.

The London Borough of Bromley will continue to work with TfL to address traffic congestion issues through the Local Implementation Plan (LIP).

Table 3.3 Transport Infrastructure costs where known/applicable

Aim	Infrastructure	Cost	Delivered by
Rail	Shoulder peak lengthening, additional fast services, 12 car outers and additional fast services, grade separation at Herne Hill	Unknown	Network Rail/TfL/ LIP/Planning Obligations s106/CIL or TBC
	Further train lengthening on the Sydenham line	Unknown	
	Petts Wood/St Mary Cray/Chislehurst or Elmstead Wood and Penge West – provision of step-free access	£15m	
Trams	Additional capacity on Elmers End Tramlink branch – construction/second platform at Elmers End plus Stabling facilities	£39m	
	Additional capacity Beckenham Junction	£28m	
	Extension of Tramlink from Beckenham Junction to Bromley town centre*	£100m*	
	Extension of Tramlink to Crystal Palace*	£200m	
DLR	DLR extension from Lewisham to Bromley North Station*	£800m*	
Bakerloo line extension	Bakerloo Line southern extension – which remains an option*	£3bn*	
Buses	Measures to reduce journey times -	Unknown	S106 planning obligations/TfL /

⁹ South London, Sub-regional Transport Plan 2016 update TfL

¹⁰ Planning for growth in Bromley – Biggin Hill Study Final Report February 2015

	Bromley and Canary Wharf/Croydon		TBC
	Improvements between Biggin Hill, Bromley and Orpington, orbital and express services across the Borough	Unknown	
Cycling and walking	Cycle hubs at various stations	£480k	TfL/ South Eastern/ LB Bromley, neighbouring boroughs
	Quietway cycle routes	£12m+	
	Petts Wood Bridge Cycle replacement	£1.3m	
	TfL cycle safety review of junctions – A21	Unknown	
	Cycle Superhighway (CS6) – Extension of Route 6 (Penge to City via Elephant & Castle*)	Unknown	
Roads	A21 – Road capacity and junction improvements at various points	£21m	TfL/LIP + Planning obligations s106/ s278/CIL
	Keston Mark (A233/A232 Junction improvements)	Unknown	
	Chislehurst congestion relief scheme	Unknown	
	A222 – Congestion relief scheme*	£450k	
	A234 Corridor study	£40k	
	Oakley Road	£1m	
Rail Bridges	Orpington and Shortlands	£20m +	Network Rail/ TfL/ LIP
Total potential minimum costs		£4,238,270,000	

Note: *Not on current TfL's business plan but remain listed in Appendix 1 of this IDP and Draft Local Plan Bromley 2016-31 Appendix 10.13.
Source: London Borough of Bromley 2020

Funding Sources

3.32 The costs for many of the transport items will be shared responsibility of a number of external organisations, including Transport for London, and Network Rail. Many of these projects have unknown costs at present as they are aspirational or in the early stages of development. Network Rail station enhancements would require funding from the Local Authority through Section 106 or Community Infrastructure Levy (CIL) funding.

3.33 Locally the need for physical transport improvements will be determined on a site specific basis. Costs cannot be accurately predicted in advance and will have to be calculated in the context of individual planning development applications. Site specific improvements would therefore be secured by s106 or s278 legal agreements.

3.34 The remaining road improvement schemes identified by SKM Colin Buchanan (2010)¹¹ will be delivered through LIP funding. Where improvement schemes are on roads owned by the London Borough of Bromley, funding would be a joint responsibility between TfL and the council.

Infrastructure Costs

3.35 Depending on the particular project(s), there are varying cycles for investment planning. In general, TfL funded or part funded projects are aligned to the TfL business plan. Although intended for five years, Business Plans are refreshed on a regular basis and are linked to wider funding settlements and arrangements. However, post-COVID impacts could affect infrastructure provision and priority projects might change but any infrastructure funded through CIL will align with updated priorities through new LIP/transport strategy and any mayoral/national policy and guidance

¹¹ SKM Colin Buchanan – Transport Study2010 + Bromley First Infrastructure Delivery Plan – July 2012

4. UTILITIES

Definition

4.1 The term 'utilities' is given to a group of services that includes electricity, gas, water and sewage, and broadband, that are supplied for the use of the public by a company(s).

4.2 Electricity, gas, water and sewage infrastructure must have or be able to have sufficient capacity to accommodate all new development within the borough. Various providers are responsible for the delivery of these services. Electricity and gas are supplied by a range of private companies through the National Grid infrastructure. In the London Borough of Bromley, these services are provided by UK Power Networks (UKPN) and Southern Gas Networks (SGN). UKPN are responsible for the local electrical distribution network including overhead transmission lines, underground cables and electricity substations. SGN are responsible for the local gas distribution network. The distribution of water to individual premises and local sewage infrastructure is the responsibility of Thames Water. Digital connectivity is a necessity for residents, local businesses and public services, with access to reliable, high speed broadband and mobile networks being directly linked to economic growth and prosperity.

Existing Infrastructure provision

UK Power Networks

4.3 Electricity is provided through a transmission and distribution network. The transmission network provides electricity on a strategic level throughout the country and is owned and managed by National Grid. Within LBB, there is a 400kv overhead cable route from Rowden substation in Bromley town centre to Northfleet substation in Dartford.¹² There is also an underground cable from Beddington substation in Sutton to Shinglewell substation in Gravesham.

4.4 The distribution network provides electricity on a local level and within LBB is owned and maintained by UK Power Networks. LBB is supplied by the Beddington to Hurst 132kv cable which distributes electricity supply to local substations via the Bromley Grid 33kv route. There are local main substations at Bromley (Bromley Grid 33kv), Bromley South, Chislehurst, Orpington and Petts Wood (Orpington).

Southern Gas Network

4.5 Gas is provided through a transmission and distribution network. The transmission network provides gas on a strategic level throughout the country and is owned and managed by National Grid. Within LBB, National Grid has no gas transmissions assets located within the administrative area.

4.6 The distribution network provides gas on a local level. Within LBB, this network is owned and maintained by Southern Gas Networks. Southern Gas Networks are statutorily obligated to develop and maintain an efficient and economical pipe-line system for the conveyance of gas in accordance with the Gas Act 1986.

¹² NETS Seven Year Statement; 2011

4.7 SGN have decommissioned the mains and plant equipment from the former Bromley gas holder site at Holmesdale Road, Bickley, and this site is a Local Plan site allocation¹³.

Thames Water

4.8 It is the statutory duty of Thames Water PLC under the Water Industry Act 1991 to develop and maintain an efficient and economical system of water supply within its area and to provide, improve and extend public sewers as to ensure that areas continue to be effectually drained. Thames Water currently supplies Bromley as part of its wider coverage of London and the Thames Valley.

4.9 Thames Water PLC is responsible for the management of Public Sewers (surface water) and Public foul Sewers within the borough. Planned upgrades to Long Reach Sewage Treatment Works (STWs) which serves the London Borough of Bromley and surrounding boroughs were delivered in December 2012. This improvement has provided additional treatment to improve effluent quality to meet Thames Tideway water quality standards¹⁴.

Broadband services

4.10 Digital connectivity in London has been a priority for the Mayor of London since 2017. Digital connectivity rates in the borough are measured in relation to access to three different types of broadband:

- Superfast: with download speeds of at least 24 megabits per second
- Ultrafast with download speeds of over 100 megabits per second
- Full-fibre download speeds of over 1 gigabit per second

4.11. The table below sets out digital connectivity in the Borough. This data is provided by the Mayor of London; source data is collected by Ofcom.

Availability of broadband			
Area	Superfast %	Ultrafast%	Full Fibre%
London average	94.8	72.1	13.4
Bromley Borough average	97.3	81.2	0.8
Bickey	98.3	78.3	0
Biggin Hill	94.1	74	0.4
Bromley Common and Keston	97.6	78.7	0
Bromley Town	90.9	71.4	1
Chelsfield and Pratts Bottom	92.8	68.7	0
Chislehurst	93.2	68.4	0.2
Clock House	99.2	88.3	0
Copers Cope	99.1	75.5	0.7
Cray Valley East	92	50.6	0
Cray Valley West	97.6	63.2	0
Crystal Palace	94.1	79.7	2.2
Darwin	54	19.4	0.5
Farnborough and Crofton	96.2	84.9	1.7

¹³ Local Plan adopted 2019

¹⁴ Environment Agency response June 2016

Hayes and Coney Hall	96.9	71.4	1
Kelsey and Eden Park	96.5	75.8	0
Mottingham / Chislehurst North	99.5	94.1	0
Orpington	96.7	85.3	1.2
Penge and Cator	96.1	78.9	0.7
Petts Wood and Knoll	99.4	96.1	0
Plaistow and Sundridge	99.1	87.9	0
Shortlands	99.8	65.4	0
West Wickham	98.3	71.6	0

4.12 Generally the Borough has good coverage of superfast and ultrafast broadband, with some exceptions largely in more rural areas.

Current Shortfall

UK Power Networks

4.13 There are no specific shortfalls identified in the London Borough of Bromley for electricity. However the London's energy networks will need to support the transition to net zero. London's energy networks are already responsible for supplying infrastructure to 25% of the UK's electric vehicle charge points and the Mayor has made further installation of rapid charge points a priority¹⁵.

Southern Gas Network

4.14 SGN do not envisage a requirement for significant infrastructure reinforcement on SGN Medium Pressure (MP) or Intermediate Pressure (IP) systems, however they cannot discount the possibility of some localised requirements where connections are made to SGN Low Pressure (LP) systems.

Thames Water

4.15 Thames Water is currently undertaking a series of strategic infrastructure improvement projects across London, but there are no specific shortfalls identified in the London Borough of Bromley. Thames Water generally considers infrastructure shortfalls on a case by case basis. Where there are concerns with regards to capacity for an individual application, Grampian Style conditions will be requested as appropriate to ensure that there is no detrimental impact to the existing network as a result of the new development.

Broadband services

4.16 To ensure that the Borough is ready for future demand and in support of Local Plan Policy 80, the Council proposes that gigabit capable connectivity is prioritised in Bromley Town, Biggin Hill, Cray Valley West and Cray Valley East wards – these are areas in the Local Plan identified as strategic priority areas for economic growth. And that improved broadband connectivity is sought for Chislehurst, Cray Valley West, Chelsfield and Pratts Bottom, and Darwin.

¹⁵ London First 'Utilities and digital, the planning system, commercial property and housebuilding' June 2020

Future Demand

UK Power Networks

4.17 The impact of new development on the National Electricity Transmission System (NETS) within the South Eastern boundary has been identified as a possible driver towards the NETS reaching its thermal capacity¹⁶. The National Grid will ensure that as interconnector capacity increases over time, measures will be taken to increase capacity to ensure the transmission route can sustain the growth in requirement.

Southern Gas Networks

4.18 SGN use computer modelling techniques to assess committed demands on gas networks. These models are built to compensate for potential growth which is obtained from developers and local authority Local Plan information. Should any reinforcement be required above predicted growth, SGN would deal with this on an individual basis under the Gas Transporter Licence. Funding for investment planning regulated by Ofgem and provision is subject to review every 8 years. There is no significant planned investment into gas infrastructure within Bromley.

Thames Water

4.19 The planning cycle for investment in service delivery is 5 years; a process considered by Asset Management Plans (AMPs). There are no significant planned changes to infrastructure in the current AMPs or next AMPs period. Generally speaking, network capacity constraints and requirements for upgrades will depend on the location, scale and timing of development together with that of other development within the same catchment. Thames Water relies heavily on the planning system to ensure infrastructure upgrades are provided ahead of development, either through local phasing and Local Plan policies, or the use of Grampian style conditions attached to planning permissions¹⁷.

4.20 Thames Water use Local Authority housing and employment growth figures and census data to help project likely increases in sewage flows to its Sewage Treatment Works (STWs). Thames Water also takes into consideration a range of other factors, including data on wastewater flows entering the STW.

4.21 Thames Water's infrastructure investment is aggregated across its operational area and then financed for example through loans, and recovered by charges made to customers across that operational area. Customer bills are set by OfWAT through the business plan process. In some cases, developer contributions for local upgrades also help to fund infrastructure, where required.

Broadband services

4.22 Central government have a target to deliver gigabit capable broadband nationwide by 2025; this will be delivered primarily through private investment with some funding being made available to support areas which are not commercially

¹⁶ National Grid - Electricity Ten Year Statement November 2015 - <http://www2.nationalgrid.com/WorkArea/DownloadAsset.aspx?id=44084>

¹⁷ Thames Water/Savills response April 2016

viable. The Council intends to be pro-active in facilitating the current and future demands of people and businesses in the Borough.

4.23 Rural areas of the borough are still reliant upon ADSL broadband services due to the lack of fibre infrastructure available in some areas. However as a solution, BT Openreach Intend to roll-out full-fibre in key areas in Bromley, notably Farnborough, Biggin Hill and Orpington. The Council is also scoping a 'Digital Infrastructure' project with infrastructure providers – focusing on deployment based on the Council's Local Plan strategic growth areas, as well as areas that have been identified as having significant 'not spots' (low levels of connectivity that would substantially benefit from digital infrastructure improvements).. The project is still being developed but would seek 5G cell deployment and full fibre upgrades to public assets. The upgrades to full-fibre could receive funds through the Strategic Investment Fund (SIF) from the Mayor of London scheme 'Connected London'.

Infrastructure Costs

4.24 There are no infrastructure costs identified for utility provision in the Borough apart from Digital infrastructure where there may be a possible requirement¹⁸ to pursue monies through the Community Infrastructure Levy potentially for 5G cell network deployment.

¹⁸ Approach to Digital Infrastructure LB Bromley Executive report 1st April 2020

5. EDUCATION

Definition

5.1 Local authorities have a statutory duty under the Education Act 1944 to secure sufficient education places, up to 18 years, within their areas. The Academies Act (2010) changed the approach to educational provision and encourages the conversion of schools to academies (outside Local Authority control) establishment of new academy 'Free Schools'. The majority of Bromley schools have converted to academies. With regard to new school provision the Education Act 2011 set two routes for the delivery of new Free schools: Government funded whereby founding groups, including parents, education charities and religious groups, submit applications to the Department for Education on the basis of parental demand to meet local need, or the 'presumption route' whereby the Local Authority funds the new school and runs a competition to choose a provider.

5.2 Local authorities are also required to secure availability of at least 570 hours of free child early education provision over a minimum of 38 weeks for each child aged between 3 to 4 and some 2 year olds, over a 12 month period¹⁹. This is usually known as '15 hours funding' as it works out at 15 hours per week when spread over the school year (38 weeks). Additionally since 2017 some 3 and 4 year olds have been entitled to another 570 hours of extended funded early education and childcare making it 1,140 hours in total, this is usually known as 30 hours funding.

Existing Infrastructure Provision

5.3 The development of the Bromley Local Plan coincided with the growth in demand for educational provision. The various Local Plan consultation stages were developed alongside the Council's Schools Development Plans, with both documents reflecting and addressing the projected needs. The Adopted Local Plan 2019 section 3.3 sets out the planning approach to meeting the need and includes 'Education Site Allocations' in Appendix 10.4. A number of education developments on these allocated sites have now come to fruition, whilst others continue to offer potential to address the projected future needs.

5.4 The most recently published Childcare Sufficiency Ward Data (2017) indicates that in 2016 there were 7,076 childcare places available across 127 preschools and 59 day nurseries. Additionally early years places were provided by 522 childminders.

5.5 The Borough has 77 primary schools (including some separate infant and junior schools) and 18 secondary schools which offer mixed or single sex education and vary in size. In addition the Borough has 3 pupil referral units (PRUs) and 19 independent schools.

5.6 Provision for primary places has been increasing significantly and steadily since 2009 with the number of Reception year pupils increasing from 3,442 in 2010 to 3,995 in 2019. The total primary school population increased from 22,983 to 26,989 over the same period, indicating an increase in admissions outside the main school transfer points and an overall increase in the number of pupils in the primary

¹⁹ Early education and childcare - Statutory guidance for local authorities; Department for Education, September 2014

¹⁹ https://www.bromley.gov.uk/downloads/file/2841/childcare_sufficiency_ward_data_2017

phase. Whereas growth has been mostly focussed on the primary sector, growth in school rolls over the next 5 years will be concentrated in the secondary sector.

5.7 The 2019 School Census data advises that of the resident population, 92.6% of primary pupils and 78.1% of secondary pupils both live and attend school in Bromley. Although a significant number of local residents are educated in other boroughs Bromley is a net importer of pupils at both primary and secondary age,

5.8 Later years of 'school aged' education (Further Education up to 18 yrs – Key Stage 5) may also be provided in college settings. Bromley College of Further Education (Bromley & Orpington Campuses) merged with Greenwich Community College and Bexley College in 2026 to form London South East Colleges (LSEC). LSEC offers both Further Education and Higher Education, being a partner college with the University of Greenwich.

5.9 Meeting the growth in the need for Special Educational Needs (SEN) places also remains an increasing challenge for Bromley and most local authorities. Bromley has 4 special schools, however, significant provision is made out of borough. Between 2014 and 2018 the number of Bromley pupils with an Education Health and Care Plan (EHCP) receiving day provision out of borough (both independent and maintained) increased. Over the same period the use of out of borough boarding provision (both independent and mainstream) decreased.

Current Shortfall

Early Years

5.10 The Childcare Sufficiency Report 2017 indicated concerns at the time about the capacity and sustainability of childcare provision following the introduction of 30 hours childcare in September 2017.

5.11 Live births in Bromley peaked at 4,251 in 2016, dipping to 4,197 live births in 2018, (children who will now be / approaching 2 years of age). Live births are projected to remain around these levels for the next decade.

5.12 The COVID pandemic has reduced the demand for childcare. In the autumn it may be possible to draw conclusions about the extent to places are taken up again, given changes in employment, working arrangements.

School Provision

5.13 The Council and its Free School partners have added over 6,500 new permanent school places opening 4 primary and 2 secondary Free Schools. There are currently 56,762 pupils in Bromley Schools with 27,820 pupils in maintained primary schools, 22,854 in maintained secondary schools, 705 pupils in maintained special schools and 5,286 in independent schools with the growth in the school age population set to continue until the late 2020s.

Primary Schools

5.14 The number of Reception places available at a borough-wide level is currently sufficient to meet projected need although there are areas which fall short of Council's aim of maintaining a surplus of 5% to support choice. School rolls in Key Stage 2 (KS2 - junior) classes in some areas are close to capacity, and therefore,

whilst schools can admit over 30 children to KS2 classes the capacity to meet demand for in-year admissions is reduced.

5.15 These projected trends will need to be carefully monitored through the Schools Development Plan, which assesses need across the Borough in 9 separate 'Education Planning Areas' (EPAs).

Secondary Schools

5.16 Secondary school need is less localised as secondary-aged children are able to travel further distances on their own and therefore the Borough is treated as a single planning area for secondary education. However, there are limits to travel distances with the Council assessing "reasonable travelling distance", in light of The DfE "Home to school travel and transport guidance - Statutory guidance for local authorities (July 2014), when offering places.

5.17 The growth trend experienced in the primary sector moved through to the secondary sector which exceeded capacity in 2015. The pressure was addressed through expansions to existing schools e.g. Bishop Justus, permanently expanded from 180 to 240, and the opening of 2 new secondary Free Schools

- Eden Park High School Elmers End (240 pupils)
- Bullers Wood School for Boys, Chislehurst Road (180 place intake)

5.18 Whilst the need is currently met, rolls are anticipated to continue to increase and secondary growth will be the key mainstream need going forward.

Further Education

5.19 There is pressure for places and the Bromley campus of LSEC is currently oversubscribed with young people for general learning provision. The construction and engineering offerings are at full capacity and LSEC is exploring other ways in which this provision can be expanded sub regionally given the demand for skills labour in London. LSEC has been aware of a skills and training deficit for a range of industries which it is working to address and offer increased specialism at level three and above across all sites in response to labour market shortages and growth industries.

5.20 In recent years LSEC have invested heavily in Hospitality, Catering and Enterprise Careers College in Orpington. This is viewed as a growth area for skills and employment across London.

Special Educational Need

5.21 Bromley has a greater proportion of pupils with an Education Health and Care Plan (EHCP) than regional or national comparators. There are specific pressures for placements for pupils with an EHCP and the Council is working with local schools, trusts and the DfE to bring proposals forward to increase capacity and improve provision where necessary.

5.22 In 2014, mainstream school was the most common setting for pupils with an EHCP but this is no longer the case with more children receiving their education and support in a special school.

5.23 Rolls increased at Riverside and Glebe which increased their secondary Autistic Spectrum Disorder (ASD) capacity by 1FE and 2 FE respectively. Bromley Beacon Academy expanded to take pupils in KS2 and KS5 and became co-educational. However, whilst special school capacity has increased, the newly created capacity is expected to be filled over the next few years.

Future Demand

5.24 The 2019 Local Plan education policies (which reflect the National Planning Policy Framework and the London Plan) state that the Council will ensure provision of an appropriate range of educational facilities, and allocates sites. The overall strategy in both 'Secondary and Primary Development Plans' has involved a combination of 'bulge' classes, permanent expansion of existing provision and new schools in line with Local Plan policies.

5.25 In addition to specific Local Plan education site allocations, Policy 27 defines all sites with permitted use for education purposes, including the sites of schools, colleges and purpose built day nurseries, as 'Education Land' and protects them for education purposes until 2031 (Local Plan period) - providing scope to meet future need.

Early Years Provision

5.26 The Council had been collecting data to update the Childcare Sufficiency Report (2017), however, post Covid-19, this information may not be a reliable indication of future demand which will be the subject to assessment later in the autumn term.

5.27 This data may help to identify the necessity or not for further provision, for example the conversion of the former children and family centre into a nursery granted permission at Marion Vine Primary School.

Primary Schools

5.28 Wards are grouped into 9 Planning Areas for the purposes of primary school place planning. There are planning areas where further pressure is expected before 2030.

- Planning Area 1 - Penge, Anerley & Crystal Palace (Clock House Ward, Crystal Palace Ward, Penge and Cator Ward) Projections indicate rolls will fall, however, projections fluctuate and will need to be closely watched and assessed through the Schools Development Plans
- Planning Area 2 - Beckenham (Copers Cope Ward, Kelsey and Eden Park Ward). This Planning Area has experienced a considerable growth in pupil numbers concentrated on Copers Cope ward, although the 2019 projections predict that need in Area 2 will remain relatively stable with the Council maintaining a surplus close to 5% of reception places in most years. Redevelopment at Marian Vian Primary School to permanently accommodate the two bulge classes (already admitted) has planning permission.
- Planning Area 3 - Hayes and West Wickham (Hayes and Coney Hall

Ward, Shortlands Ward) In this Planning Area projections indicate that the number of pupils in reception will be greater than the number of places available from 2026 and therefore school rolls in planning area 3 will have to be reviewed in future years to ascertain if the capacity needs to be increased.

- Planning Area 4 - Central Bromley (Bickley Ward, Bromley Town Ward, Plaistow and Sundridge Ward). The projections indicate that demand will outstrip capacity in future years for reception places but by less than a single form of entry. This need and the capacity in surrounding planning areas will be kept under review but could potentially be addressed through the introduction of another bulge class.
- Planning Area 5 - Bromley Common, Keston and Farnborough (Bromley Common and Keston Ward, Farnborough and Crofton Ward, Petts Wood and Knoll Ward). Throughout the last decade there has consistently been less than the desired 5% of surplus places and the 2019 GLA School Roll Projections indicate pupil numbers in reception are forecast to increase. Additional places can be accommodated at Trinity CE Primary by opening a third reception class, but close monitoring will be required as adding an extra class only delivers a 1% surplus by 2030.
- Planning Area 6 - Chislehurst and Mottingham (Chislehurst Ward, Chislehurst North and Mottingham Ward). Additional pressure is not projected in this Planning Area and school organisation will be kept under review, with particular reference to the potential for surplus primary schools places.
- Planning Area 7 – Cray Valley (Cray Valley East, Cray Valley West) Currently there is slightly less than a 5% surplus in reception places, the Council's planning target. The 2019 GLA School Roll Projections predicts that reception year rolls will increase leading to a shortage of places from 2029 and a limited surplus (below the 5% target) from 2024.
- Planning Area 8 – Orpington (Chelsfield and Pratts Bottom Ward, Orpington Ward). The projections suggest that there will be sufficient Reception year places in this Planning Area throughout the plan period, although less than the Council's target of 5%.
- Planning Area 9 - Biggin Hill (Biggin Hill Ward, Darwin Ward) The GLA projections forecast a gradual increase in the need for reception school places, although there are sufficient local places to meet demand to 2030.

Secondary Schools

5.29 The secondary sector is expected to be the focus of mainstream growth. Year 7 School rolls are expected to be 4,082 in 2022/23, with a need for 4,286 places (to provide the Council's target of 5% surplus places). The greatest demand for secondary school places is in the North West part of the borough.

5.30 The Department for Education have given approval for a new secondary Free School (Harris Kent House) to meet increasing need in Bromley and Lewisham. Providing this secondary mainstream Free School is delivered, the Council is projected to have satisfied secondary need up to 2030. Note - If Harris Kent House is unable to open in temporary accommodation to meet the increasing need whilst

the new school is delivered, the Council will need to deliver additional temporary capacity in the secondary sector.

Specialist Educational Facilities

5.31 The Local Plan 2019 notes the need for additional requirements over the plan period for a range of specialist educational facilities.

5.32 Recent growth in demand for children with EHCPs has been mainly in KS1 and KS2, however, growth will be concentrated amongst the secondary cohort in future years.

5.33 There are currently proposals to enhance Specialist Educational Facilities on two sites allocated for Education in the Bromley Local Plan.

- Rebuild of Marjorie McClure Special School, currently located at Hawkwood Lane, Chislehurst
- A new Special Education Needs (SEN) school

Further Education

5.34 LSEC is working strategically with Biggin Hill Airport and the London Borough of Bromley to address the needs of Aviation and Aeronautical industries. LSEC have recently obtained planning permission to provide an Aerospace and Technology College LATC at London Biggin Hill Airport (LBHA) providing STEM education, skills and training. In particular it will provide pathways to professional qualifications to progress aeronautical careers as mechanical, electronic service engineers and technicians.

Infrastructure Costs

5.35 The Council receives Basic Need Capital grant from the DfE to support the delivery of sufficient school places, with a total of £70.9m so far allocated for 2011-2018. Table 5.4 below includes the Basic Need Capital grant available inclusive of contributions from DfE Capital Maintenance grant and funds allocation within the Council's capital programme for the reconfiguration of special schools²⁰.

Table 5.4 Basic Need Capital grant available

2011-12 allocation	£4,496,771
Autumn 2011 exceptional in-year allocation	£1,277,936
2012-13 allocation	£2,404,519
Spring 2012 exceptional in-year allocation	£1,590,436
2013-15 allocation	£9,968,079
2015-16 allocation	£20,635,153
2016-17 allocation	£21,666,911
2017-18 allocation	£8,837,573
Contribution from DfE Capital Maintenance Grant underspend	£1,200,000
Transfer from Reconfiguration of Special Schools Scheme	£113,000
Total allocation to date:	£72,190,378

Source: London Borough of Bromley 2016

²⁰ Basic Need Programme – Executive March 2016

5.36 There are risks to the education programme. This includes the availability of funding from the Department of Education (DfE) in terms of Basic Need Capital Grant, as each Free School reduces the number of additional places required and funding the council receives. Furthermore, most schools in the borough have converted to academy status (or are in the process of doing so) and as such the council has received very little DfE capital maintenance grant. Bromley is currently limited in its ability to top up budgets using capital maintenance grants. The council has not allocated reserves or used prudential borrowing to support the creation of additional places²¹.

Table 5.5 Infrastructure costs based on future need for places

Type of provision	Number of places	Estimated numbers of form of Entry	Average Build cost per place over all schemes	Total cost over Plan Period
Primary & Secondary	561	18.7	£16,909	£26,733,129
	1020	34		
SEN	Unknown	Unknown	£10,765	Unknown

Source: London Borough of Bromley 2016

5.37 The recent price index that informed the figures above is recent and does not include the early years of the programme when costs were generally much lower. The delivery of school places has now entered a phase where more expensive schemes are being delivered as the easier options have already been completed.

Funding Sources

5.38 The Council receives Basic Need Capital grant and Capital Maintenance grant from the Department for Education (DfE) to support the delivery of sufficient school places. Within the Basic Need Capital programme are contributions from other capital funding programmes including Seed Challenge, Access Initiative and Suitability, along with Section 106 contributions. Free schools, however, are funded centrally through the Education Funding Agency. This funding is allocated to established free schools for both revenue and capital purposes. With the adoption of a local CIL, it is envisaged that S106 payments will be assumed to be provided by the CIL payment, however a s106 requirement may be required, such as where the development results in the loss of school capacity.

Table 5.6 Education Funding Gap

Funded through the Basic Need School Expansion Programme	Total cost	Funding Secured	Funding Gap
	£141,654,000	£85,535,000	£56,119,000

Source: London Borough of Bromley 2016

²¹ Basic Need Programme – Executive March 2016

6. HEALTH

Definition

6.1 The definition of health as formulated by the World Health Organisation in 1948 is that *“Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity”*.

6.2 Health and Wellbeing Boards are part of the NHS reforms laid out in the Health and Social Care Act 2012. Health and Wellbeing Boards act as a forum where key leaders from the health and care system work together to improve the health and wellbeing of their local population and reduce health inequalities. They oversee the commissioning of most local health services such as GP surgeries, pharmacies, NHS dentists and opticians and hospital care.

6.3 The Health and Wellbeing Board is collaboration between Bromley Council and various partner agencies whose role is to understand their local community's needs, agree priorities and encourage commissioners to work in a more joined up way. This should result in patients and the public experiencing a more joined-up provision of services from the NHS and local councils in the future²².

6.4 Health services in Bromley are planned and funded through the newly established NHS South East London Clinical Commissioning Group (CCG) which is a NHS organisation led by GPs with involvement from other healthcare professionals. It covers Bromley along with Bexley, Greenwich, Lambeth, Lewisham and Southwark boroughs. The CCG works closely with its partners to set out the strategic context, drivers and vision for the development of the estate infrastructure that will underpin the delivery and transformation of health care in the Borough.

Existing Infrastructure Provision

6.5 Current facilities in Bromley are composed of 43 member GP practices operating across 46 sites and covering a registered population of approx. 351,000 people. The average patient list size for the borough is 7,800, with individual lists ranging from just over 2,000 to almost 20,000 patients. Bromley has a single GP federation covering the borough, Bromley GP Alliance Ltd, of which 41 GP practices are shareholding members.

6.6 There are currently two practices within Beckenham Beacon, and one practice in the Orpington Health and Wellbeing Centre, with a further practice expected to go into the Bromley Health and Wellbeing Centre (planned to open in 2021/22). Although not Health and Wellbeing Centres in the sense of also housing other community, diagnostic and acute services, there are also two practices located within each of the purpose built Crown Medical Centre (in Bromley Common) and Oaks Park Medical Centre (in Penge).

6.7 There are 15 GP practices or branches located in premises that were purpose built for this use. Some of these were purpose built some time ago within restricted footprints of land, so expansion has been difficult. A few have been built in more recent years using London estates funding, including significant re-building of Broomwood Surgery and the Links Mottingham site.

²² <http://cds.bromley.gov.uk/mgCommitteeDetails.aspx?ID=617>

6.8 The most common type of GP premises in Bromley borough is converted housing with 21 sites being converted from a former residential use. The quality of these premises is highly variable. Some have been extended upwards or outwards and refurbished to a high quality standard using either London estates funding or GP partner investment. Other premises have not been maintained well and can be considered not 'fit for purpose' as modern medical premises. This includes concerns over Disability Discrimination Act (DDA) compliance, standard room size requirements, Infection Prevention and Control compliance and futureproofing for potential list size expansion

6.9 There are three GP practices located in premises built for commercial use (e.g. shops, banks). The variability, quality and concerns with these premises are similar to those in converted houses.

6.10 Our newest Care homes practice is located within the main GP Alliance Headquarters on the same site as Beckenham Beacon.

6.11 There are three main health service providers with presence within the borough. These are;

- King's College Hospital NHS Foundation Trust (KCH) – Provides acute services from Princess Royal University Hospital and Orpington Hospital in the borough and some outpatient services from Beckenham Beacon.
- Bromley Health Care (Bromley Healthcare CIC) – a community investment company and provider of general community services.
- Oxleas NHS Foundation Trust (Oxleas) – mental health provider and provides some community health services for the borough and other parts of South London.

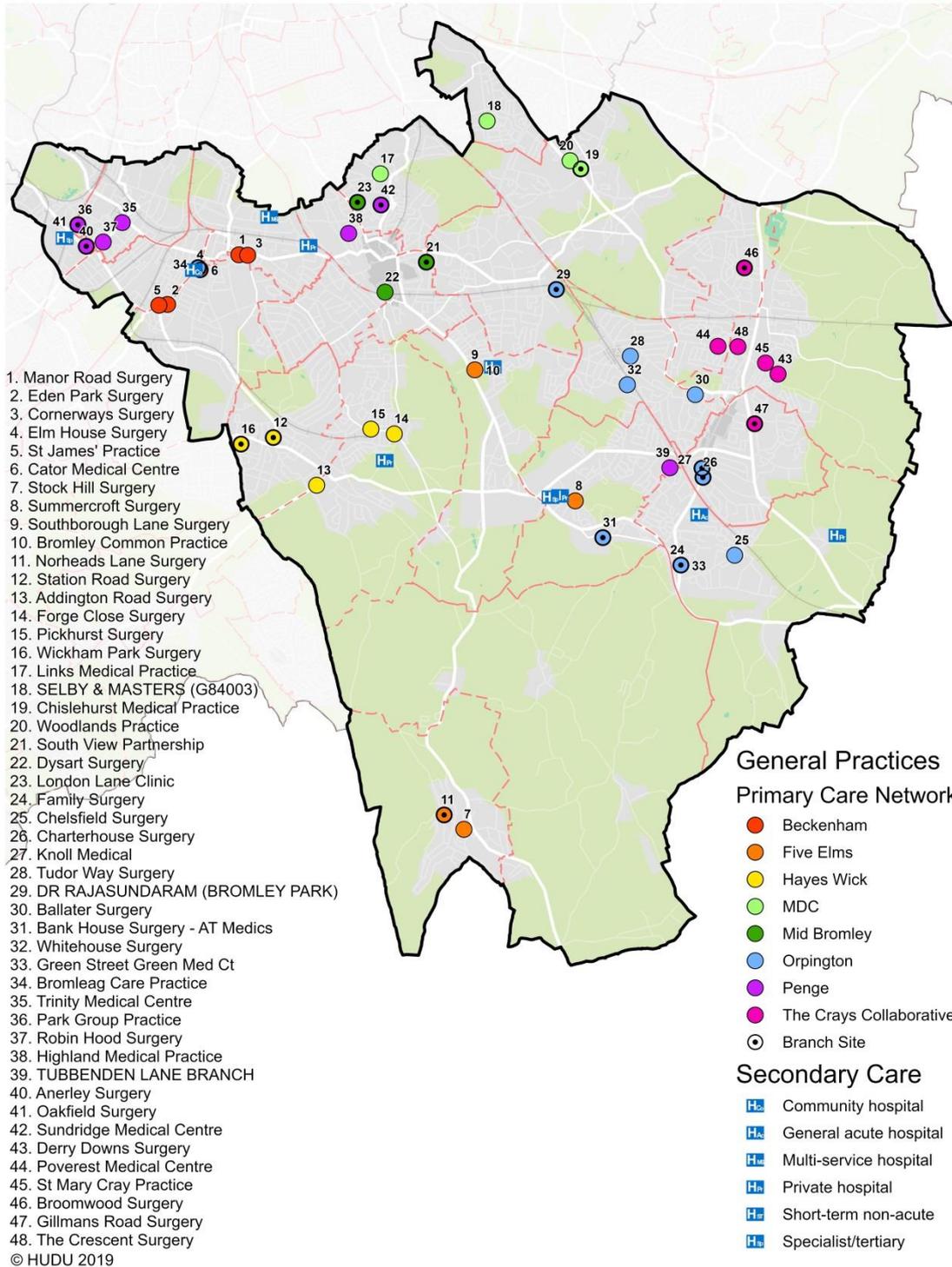
There is also a range of community Clinics across the Borough currently occupied by Bromley Healthcare CIC who provides our Community Services.

6.12 Map of the GP Estate in Bromley

Bromley General Practices by PCN with Secondary Care HUDU | December 2019



London Healthy Urban Development Unit



Current Shortfall

6.13 The majority of GP practices are located in the North and Centre of the borough. The south of the borough has an aging population and is very sparsely populated in large areas. Public transport in the south is limited and patients can be reliant on cars and other private transport to access health services.

6.14 There is also a growing issue within the town centre of Bromley. The new Health & Wellbeing Centre is needed for the Health services to be able to cope with new developments and increase in population.

6.15 Since January 2019, three sites have closed in the borough. These were Cross Hall Surgery in St Mary Cray, the Highland Medical Practice site at Tubbenden Lane in Orpington, and Trinity Medical Centre in Penge.

Future Demand

6.16 Bromley has the largest population of the South East London boroughs and covers the largest geographical area of the London boroughs. Bromley also has amongst the largest population of older people, especially in the 75+ age categories, of the London boroughs. Although Bromley is an affluent borough with a notably older and less ethnically diverse population than other parts of London, there are growing numbers of young families, increasing ethnic and cultural diversity and pockets of acute deprivation, in particular, in the far north west and north east of the borough. The Bromley JSNA provides a comprehensive insight into the health and care needs of Bromley residents

6.17 Population density in a given location is a key driver in any investment decisions where the aim is to benefit the greatest number of people by deployment of scarce resources. The demand on health services in the London Borough of Bromley will be predominately driven by an ageing population. This will require services to work flexibly and at scale, to co-locate and integrate services and to maximise the efficiency of current estate. This is particularly the case where there is significant population growth, namely Bromley Town Centre.

6.18 The proportion of older people in Bromley (aged 65 and over) is expected to increase gradually from 17% of the population in 2017 to 18% by 2022 and 21% by 2032. The pattern of population change in the different age groups is variable between wards; Biggin Hill in particular is experiencing a large rise in the proportion of over 75s.

6.19 People are living longer, but many live with long term conditions, such as diabetes, heart disease, high blood pressure and mental illness. The technical advances in diagnostics and treatments mean that the costs of providing care are rising faster than inflation each year.

6.20 In South East London we have a long history of working together. Our partnership working with local authorities and providers of health services is delivered through the 'Our Healthier South East London' strategic partnership, which is known as an integrated care system (ICS). This collaborative approach resulted in us becoming the first ICS in London.

6.21 Bromley has a solid foundation of integrated working, introducing a Multi-specialty Community Provider model in 2016. Known locally as Integrated Care

Networks (ICNs), this approach has embedded more effective and efficient care for the most vulnerable patients who require multiple agencies to provide and coordinate their care, including social care and the voluntary sector alongside health partners, and has also seen a new frailty pathway established. Bromley were part of the South East London 'Aspirant Integrated Care System' programme, selected in 2018 by NHS England as a vanguard for integrated working. Within the SEL programme, Bromley is a particular geography of focus for intensively supporting integrated care as a 'system of systems'.

6.22 Integrated Care Networks (ICNs) are still being improved to support everyone across south East London. These involve primary, community, mental health and social care colleagues working together and drawing on others from across health, wider community services like housing and schools, and voluntary sectors. ICNs will focus on a number of agreed priority initiatives, such as improving access to community based services and preventative services that proactively manage patients, addressing inequalities, promoting self-management and the development of strong and confident communities.

6.23 To support this work, there will be a few large hub sites in the borough that can house a range of health, social care and other services. The CCG has identified potential hub locations at:

- Beckenham Beacon
- Orpington Health & Wellbeing Centre
- Bromley Health & Wellbeing Centre (town centre) – Still in development
- Oaks Park Medical Centre – further capacity on an additional floor in development

6.24 In addition, there will be a number of other buildings housing primary care and other services that may form part of the ICN for that part of the borough.

Examples of these could include:

- Orpington Hospital
- Phoenix Centre
- Princess Royal University Hospital (PRUH)
- Oaks Park health Centre, Penge

6.25 The CCG is reviewing its localities to understand how the demand on services in certain Wards will be accommodated either by the current health estate, other public sector estate or by new health infrastructure.

Infrastructure Costs

6.26 The NHS set up the Healthy Urban Development Unit (HUDU) to coordinate spatial planning and health care provision across London. The HUDU model is designed to assess the impact of individual planning applications. The model calculates revenue and capital financial contributions. The capital cost of providing the required space; and the revenue costs of running the necessary services before mainstream NHS funding takes account of the new population. The Council currently seeks the capital element only to provide/enhance the physical space for healthcare

6.27 As a guide using the predicted population growth in Bromley based upon GLA Population Projections (2018 housing led) the HUDU model identifies capital costs of over approximately £41m over the 15 year period 2020/21 – 2035/36.

Table 6.1 Health Capital Costs

Capital Costs	
Acute	23,019,794
Mental Healthcare	633,183
Intermediate care	3,935,854
Primary Healthcare	13,527,271
Total	£41,116,097

Source: LB Bromley

6.28 NHS England is facing a financial challenge in many areas. Across all the six CCG boroughs in South East London, the overall spend on adult social care is just over £576m with further cost pressures of £132m by 2020/2021. The boroughs need to contain cost pressures and make budget reductions in their adult social care. Councils are working to transform services with health sector partners (source: South East London Sustainability and Transformation Plan²³ October 2016).

Funding Sources

6.29 Section 106 financial contributions are currently required by developers for major schemes and used to help fund community infrastructure such as additional health facilities. However, with the adoption of a local CIL, it is envisaged that S106 payments will be assumed to be provided by the CIL payment however there may be some circumstances where this will be pursued via S106 – such as where the development involves the loss of an existing facility.

6.30 The NHS England's Estates and Technology Transformation Fund (ETTF) (previously the Primary Care Infrastructure Fund) is a multi-million pound programme to accelerate the development of infrastructure to enable the improvement and expansion of joined-up out of hospital care for patients. This is part of additional NHS funding announced by the government in 2014 to enable the direction of travel set out in the NHS Five Year Forward View²⁴.

6.31 In 2016, NHS Bromley CCG put forward a bid for a new build premises for the Bromley Health and Wellbeing Centre. £3m was agreed from the ETTF fund towards the project.

6.32 In Summer 2018 NHS Bromley CCG submitted a further bid for Wave 4 Capital Funding for additional funding towards the new Bromley Health and Wellbeing Centre. This was approved bringing the total funding to £12m. Please note that this funding is subject to further due diligence and approval.

6.33 Last year (2019), funded via Wave 4 Capital along with section 106 contributions, the space at Beckenham Beacon underwent a huge transformation. On the first floor, where there once was office space, this has now been turned into more fit for purpose clinical space to accommodate a range of mental health services. The scheme enabled an improved mix of services to be delivered from facilities designed and equipped to deal with the ongoing healthcare needs of the local population.

²³ South East London: Sustainability and Transformation Plan Oct 2016

²⁴ <https://www.england.nhs.uk/wp-content/uploads/2014/10/5yfv-web.pdf>

7. OPEN SPACE

7.1 Open space is defined in the Town and Country Planning Act 1990 as land laid out as a public garden, or used for the purposes of public recreation, or land which is a disused burial ground. The greater proportion of the Borough comprises of over 50% open space of some description, varying from very small formal and informal urban open spaces and parks of great importance and highly valued to local communities (especially to those living in the more densely developed areas of the borough), to natural countryside and farmland. Planning policies act to protect open space.

7.2 Playgrounds and sports facilities are dealt with separately in this document under the Community Facilities section. This is in accordance with the Mayor of London's 'Play and Informal Recreation SPG' which offers indicative guidance to London boroughs for calculating play space and should be used in addition to other standards for 'Open Space'.

Existing Infrastructure Provision

Designation	Area Ha
Green Belt	7,660.2
Green Chain (South East London Green Chain), also designated as MOL	428.3
Kent Downs Area of Outstanding Natural Beauty	290.3
Local Green Space	120.1
Local Nature Reserves	410.6
Metropolitan Open Land	667.9
Urban Open Space	631.6

7.3 The Borough has just over 9000 hectares of Green Belt or Metropolitan Open Land (MOL), 120 miles of public rights of way, and over 2,900 acres of council-owned parks and open space. It is estimated that there is about 4 hectares of publicly accessible open space per 1000 of the population.

7.4 Local Nature Reserves (LNRs) are for both people and wildlife. They are places with wildlife or geological features that are of special interest locally. They offer people special opportunities to study or learn about nature or simply to enjoy it and are therefore equally important for both conservation and recreation. There are five designated Local Nature Reserves (LNR) in LB Bromley: -

Jubilee Country Park (near Petts Wood)
Scadbury Park, Chislehurst
High Elms Country Park (south of Farnborough).
Darrick & Newstead Woods
Hayes Common, Keston Common, Ravensbourne Open Space & Padmall Wood (Combined)

7.5 Management plans have been prepared for each of these sites. These provide a framework for the work carried out by the rangers, conservation volunteers and Friends Groups and ensures that different habitats, their characteristic species – including those like Stag Beetles, Glow Worms, Butterflies, Great Crested Newts and Skylark for which there are action plans in the Bromley Biodiversity Plan or London

Biodiversity Partnership Plan²⁵ – are taken into account, whilst ensuring that each reserve provides an accessible green space for local people.

7.6 The South East London Green Chain walk comprises a 40 mile network of footpaths through a number of open spaces in a variety of ownerships, and largely in recreational use, these are accessible to the public, and extend in a virtually continuous arc from the Thames, through the London Boroughs of Bexley, Greenwich, Lewisham, Southwark and Bromley. The London Plan states that “Green Chains are important to London’s open space network, recreation and biodiversity²⁶.”

7.7 London Borough of Bromley coordinates the management and maintenance of parks across the borough through commissioned contractors, in conjunction with ‘friends’ groups based at specific sites across the Borough²⁷.

7.8 There are 60 Local Parks in LB Bromley totalling 524 hectares, and an additional 25 Natural and Semi Natural (NSN) open spaces (459 hectares) which function as parks.

7.9 The London Plan Policy 7.18 Protecting Open Space and Addressing Deficiency, categorises public open space as shown in the following table, London Borough of Bromley data has been added on right hand side column:-

Table 7.1 Public Open Space Categorisation

Open Space categorisation	Size Guide-line	Distances from homes	Number in LB Bromley
Metropolitan Parks Large areas of open space that provide a similar range of benefits to Regional Parks and offer a combination of facilities at a sub-regional level, are readily accessible by public transport and are managed to meet best practice quality standards.	60 hectares	3.2 kilometres	7
District Parks Large areas of open space that provide a landscape setting with a variety of natural features providing a wide range of activities, including outdoor sports facilities and playing fields, children’s play for different age groups and informal recreation pursuits.	20 hectares	1.2 kilometres	15
Local Parks and Open Spaces Providing for court games, children’s play, sitting out areas and nature conservation areas.	2 hectares	400 metres - 10 minute walk time	60
Small Open Spaces Gardens, sitting out areas, children’s play spaces or other areas of a specialist nature, including nature conservation areas.	Under 2 hectares	Less than 400 metres	41
Pocket Parks Small areas of open space that provide natural surfaces and shaded areas for informal play and passive recreation that sometimes have seating and play equipment.	Under 0.4	Less than 400 metres	15

²⁵ <http://www.gigl.org.uk/londons-biodiversity-action-plan/>

²⁶ London Plan para 7.56 and Policy 7.17, and Local Plan Policy 54

²⁷ http://www.bromley.gov.uk/directory/4/parks_in_bromley

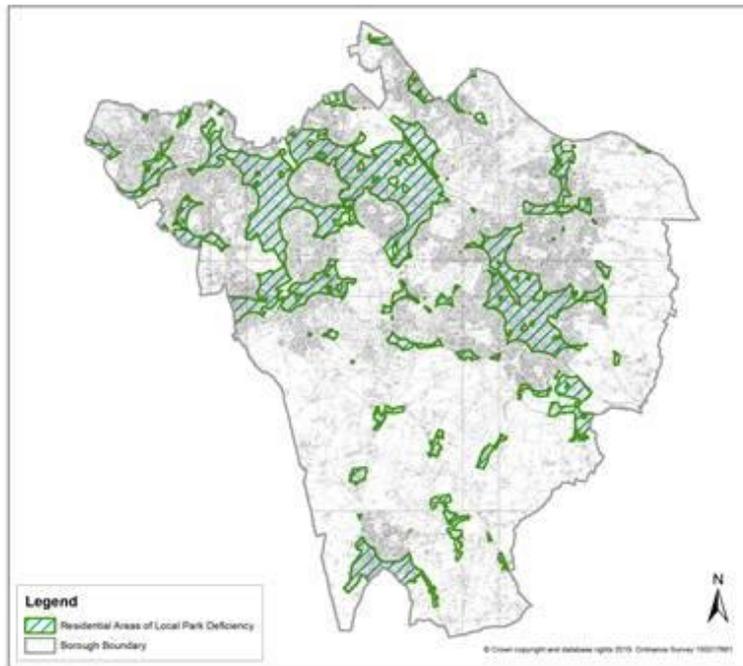
<p>Linear Open Spaces Open spaces and towpaths alongside the Thames, canals and other waterways; paths, disused railways; nature conservation areas; and other routes that provide opportunities for informal recreation. Often characterised by features or attractive areas which are not fully accessible to the public but contribute to the enjoyment of the space.</p>	Variable	Wherever feasible	-
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Source GLA 2016

Current Shortfall

7.10 There is currently sufficient per capita provision of public open space within the borough, relative to similar local authority areas and the national standard²⁸. Shortfalls have been identified in access to existing public open space and vary by borough location. Figure 7.1 below highlights in green, the areas of the borough which are further than 400m (10 minute walk) to a local park or open space. The assessment of the quality of the Metropolitan, District and Local Parks across the Borough, undertaken as part of the Local Plan evidence base, shows provision to the west is largely high quality, but the provision to the east of the Borough is in greater need of improvement.

Figure 7.1 Local Open Space Deficiency 2020



Source: London Borough of Bromley data 2020

²⁸ Planning and Design for Outdoor Sport and Play (formerly the Six Acre Standard); Fields in Trust (formerly the National Playing Fields Association) 2008. [LBB = 2.14 ha per 1,000 population]

Table 7.2 Quantitative need – Amenity Green Space

Year	Population	Current provision (hectares)	Provision (hectares per 1000)	Quantity standard (hectares per 1000)	Overall hectares needed (shortfall)
2016*	321,680	45.49	0.141	0.16	-5.98
2030*	323,505	45.49	0.141	0.16	-6.27

*Based on GLA 2015 round SHLAA population projections

Future Demand

7.11 When the quantity standard is applied across the Borough, it demonstrates that while current provision is almost sufficient to meet demand, population growth will generate higher shortfalls if amenity green spaces are not provided as part of new development.

7.12 Any new projects that are connected to open space are often delivered alongside transport schemes (walking and cycling) or related to leisure activities (see also the 'Community facilities' chapter).

7.13 The intensification of use of the open space generally will also put pressure on the resources for maintenance and upgrade of that space. The amount of publically-owned open space is unlikely to be increased as the Council is not in a position to take ownership of additional space. The Council and its partners will therefore invest in improving and maintaining the quality of existing space.

7.14 There is however the potential to expand privately owned public open space as development potential is realised and sites are built out, particularly in areas where there is an identified deficiency in open space (Figure 7.1).

Infrastructure Costs

7.15 Costs for upgrading playground facilities are obtained on a case by case basis; these may be for replacement or maintenance costs or for where an area has a deficit of play facilities.

Funding Sources

7.16 On a site by site basis, Section 106 contributions have been a source of funding towards schemes for open space improvements or management plans and this practice is likely to continue, given that open space contributions are sought in lieu of lack of on-site open space provision.

8. COMMUNITY FACILITIES

Definition

8.1 Community facilities make an essential contribution to the health, wellbeing, development and education of individuals living and working in the Borough. There is substantial health benefits associated with access to community and leisure facilities, including not just physical health, but also better mental health, through increased social interaction. The National Planning Framework highlights the important role of planning in facilitating social interaction and creating healthy, inclusive communities.

Existing Infrastructure Provision

8.2 A range of different services and facilities are provided for leisure and cultural purposes by the council, whilst the great majority are provided by the third sector, through Places of Worship and private sports clubs.

8.3 Public facilities include leisure centres, swimming pools, sport pitches, libraries, play spaces and community halls. Some leisure and cultural facilities in the London Borough of Bromley are managed through contracts with external service providers.

8.4 Currently, facilities in the Borough include:

- 14 libraries (collections from the former Bromley Museum in Orpington are now displayed at the Central Library Bromley)
- 13 public leisure centres including swimming pools
- 8 cemeteries (6 managed by the council)
- 26 sports halls
- 52 allotment sites (almost 30,000 plots)
- 67 playgrounds
- 21 Outdoor Sports Facilities
- 3 Theatres (Churchill Theatre, Bromley Little Theatre, Beckenham Theatre)
- 5 cinemas (Beckenham, Crystal Palace, Orpington, Bromley South and Bromley North)
- 4 Museums (Bromley Central Library & Biggin Hill Memorial Museum, Museum at Crystal Palace (Charitable Trust) and Bethlem Museum of the Mind)
- Crofton Roman Villa (managed by Kent Archaeological Rescue Unit)

8.5 The 52 allotment sites are supported by the independent Bromley Allotment and Leisure Garden Federation (BALGF). and the Bromley Leisure Gardens and Allotments Consultative Panel which includes Councillors, parks management contractors and members of BALGF²⁹. There are almost 30,000 plots in Bromley (private and public), and there were waiting lists for plots at the majority of sites prior to this year when there has nationally been an increased interest in food growing.

²⁹ <https://www.bromleyparks.co.uk/our-services/allotments/>

Sport facilities , Play and fitness

8.6 Sport England (Active Places Power) 2016 confirms that the London Borough of Bromley has a total of 465 pitches. Table 8.1 shows the breakdown of public and private grass pitches.

8.7 The Borough has 67 playgrounds for children, most of which are located within one quarter mile from their homes. For teenagers, there are six dedicated skateboard facilities, ten Multi-Use Games areas and a dedicated BMX facility in Mottingham Woods. There are also two paddling pools along with one boating pool for family recreation. Additionally there are two Council Outdoor Gyms at Tugmutton Common and Betts Park.

Table 8.1 Sport England 2016 breakdown of all grass pitches both public and private.

Type	Number of pitches
Cricket	59
Full sized Football	162
Hockey	6
Junior Football	90
Junior Rugby League	1
Junior Rugby Union	7
American Football	1
Mini Soccer	56
Rounders	26
Senior Rugby Union	57
TOTAL	465

Source- Sport England 2016

Table 8.2 Other sports facilities in the London Borough of Bromley*:

Facility Type	No. of pitches	Information	Recommended accessibility (km)
Pitches –all types	465	Including over 285 <u>full</u> size grass pitches	720m (15 min walk) to grass pitches and tennis courts
Tennis Courts	197	This includes 7 indoor and 190 outdoor.	
Bowling Greens ³⁰	21	Current provision is equivalent to 0.06 greens per 1,000 of the population.	15 minute drive to synthetic turf pitches, athletics tracks, bowling greens and netball courts
Synthetic Turf Pitches	49	No breakdown between full-size and 5 a-side pitches	
Synthetic Athletics Tracks	2	Both public	
Golf Courses	9 Eighteen hole and 4 Nine hole Public and Private and Commercial	This includes two par three courses and 3 driving ranges providing 94 bays. Provision is significantly above the regional average.	8km (30 min drive) to golf courses

³⁰ <https://www.bowlsengland.com>

	courses,		
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Source: Sport England and LB Bromley data 2016 .

Libraries and Community facilities

8.7 Bromley currently operates a network of 14 Libraries (currently managed by Greenwich Leisure Limited). The Home Library Service operates in partnership with Royal Voluntary Service (RVS). The Historic Collections Library is also located within Bromley Central Library.

Burial grounds

8.8 The London Plan states that boroughs should ensure provision is made for London's burial needs, including the needs of those groups for whom burial is the only option. Provision should be based on the principle of proximity to local communities and reflect the different requirements for types of provision. The London Plan Social Infrastructure³¹ SPG (May 2015) notes that decisions made about what happens to remains are often influenced by a persons' faith; this can vary significantly by faith. Consequently, this has implications for the amount of land each local authority will need to provide for burials. There are eight cemeteries in Bromley with varying degrees of availability (and one already at capacity – Plaistow Cemetery). Of the six managed by the Council contractors most have only limited availability, however there is capacity at Biggin Hill and St Mark Cray. There is capacity at Beckenham Cemetery and Crematorium and substantial capacity the relatively new Kemnal Park Cemetery and Memorial Garden.

Current Shortfall

Sports facilities, Play and fitness

8.9 Geographical variations in provision across the borough broadly reflect the varying development density characteristics. of the Borough. An audit of open space facilities is being undertaken and will be used to inform future reviews of the IDP.

8.10 The London Plan Social Infrastructure SPG states that "*Many children do not have adequate access to play areas and some existing provision across London is not fit for purpose*"³². The benchmark standard recommends a minimum of 10sq/m of dedicated play space per child. In Bromley, there are distinct areas in the borough where there is a deficiency of play space facilities – see Figure 8.1 diagram.

Libraries and Community facilities

8.11 Some Council owned facilities have been functioning in aging buildings, and offer the potential for enhanced development on their sites. For example, Chislehurst and St Paul's Cray libraries have been the subject of planning proposals (application and allocation respectively) to optimise their sites, to reprovide new community facilities and develop new residential units.

Burial grounds

³¹ London Plan Social Infrastructure (May 2015)

³² Mayor of London SPG; Shaping Neighbourhood: Play and Informal Recreation 2012

8.12 Bromley is a borough of all faiths and none; an audit was undertaken by the GLA in 2011 of Burial Provision³³. The audit report considered that Bromley was, at the time one of five London boroughs with 10-20 years supply of burial space. (2021 – 2031). The privately owned Kemnal Park Cemetery subsequently opened in 2013 on a 55 acre site significantly increasing the availability of burial space.

Future Demand

Sports facilities, Play and fitness

8.13 The promotion of health and wellbeing of those living and working in the Borough is a strategic aim for the Borough. Engaging with providers and agencies to ensure the provision, enhancement and retention of a wide range of facilities for sports is crucial means of improving quality of life.

8.14 The Bromley Local Plan encourages the dual use of educational facilities. The development of Free Schools will also lead to additional community facilities (available outside school hours) including for example facilities which will become available at the new Eden Park High School, Beckenham. Educational facilities can help to meet the demand for additional sports provision & other community uses (e.g. the use of school halls by faith groups).

8.15 Where there are deficits of play facilities in the Borough (see map at Figure 8.1 below) or where there are facilities that may require upgrading or maintenance of playground equipment, then these will be reviewed in the light of the impact of schemes that arise over the life of the plan.

Libraries and Community facilities

8.16 The Bromley Local Plan includes policies which seek to protect and enhance sites and buildings providing community facilities. This is particularly important as the demand for housing pushes up land values and rents

8.17 As highlighted above the dual use of educational facilities can also help to meet the demand for other community uses (e.g. the use of school buildings by community organisations, including faith groups) .

8.18 There is also a move towards the ‘social prescribing’ - where healthcare professionals are able to refer patients to local, non-clinical services to meet their wellbeing needs. The success of such schemes will be dependent upon what is available locally.

Infrastructure Costs

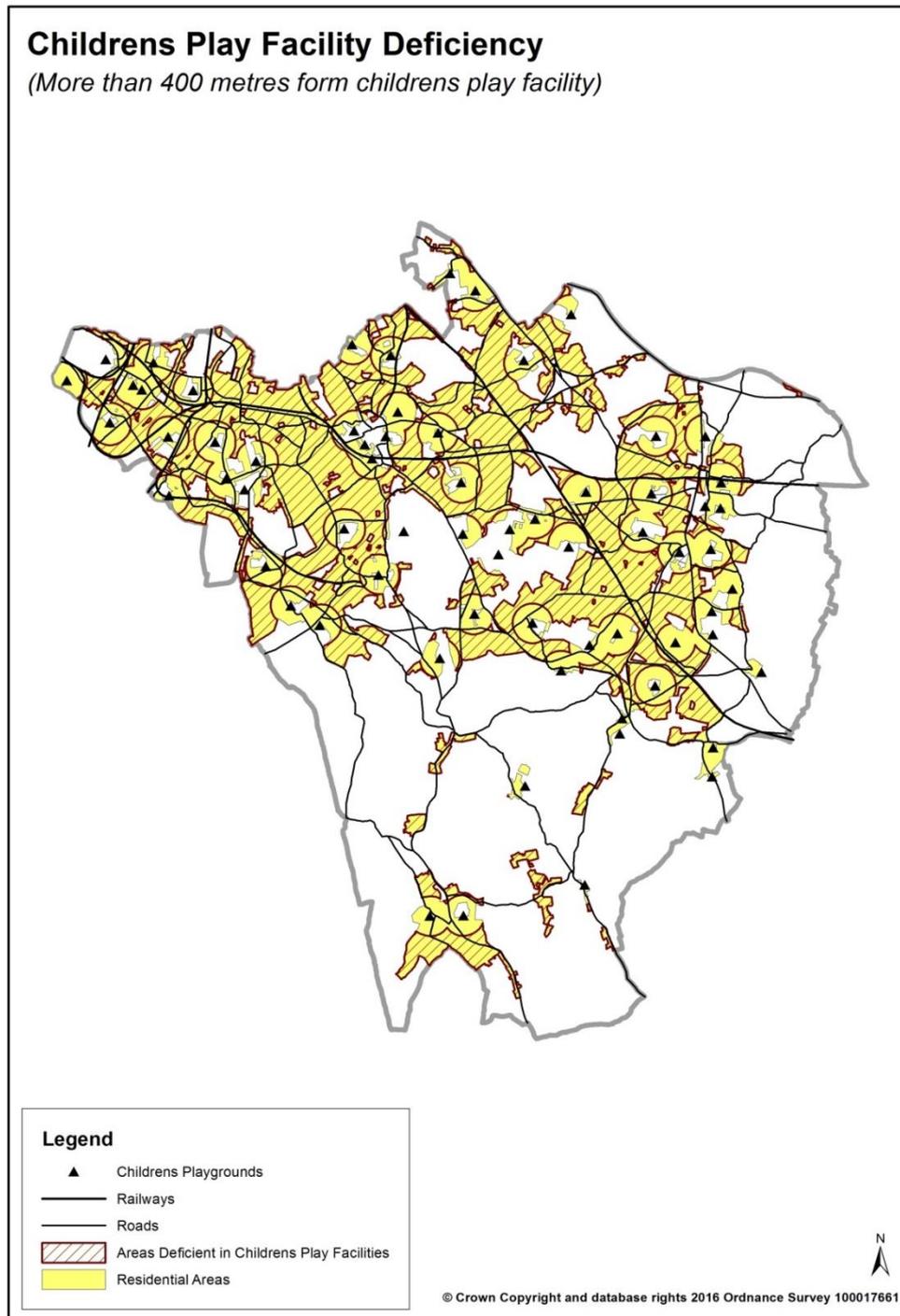
8.19 Costs for upgrading playground facilities are obtained on a case by case basis; these may be for replacement or maintenance costs or for where an area has a deficit of play facilities.

³³ <https://www.london.gov.uk/file/5284> Rugg, J. and Pleace, N. (2011) *An Audit of London Burial Provision*. London: GLA

Funding Sources

8.20 Enhancements to facilities and contributions towards the above infrastructure historically have been provided through redevelopment and / or sourced from S106 agreements. In future, with the proposed adoption of CIL, it is considered that S106 will be used to cover shortfalls in on-site requirements (where relevant) or where the development results in the loss of existing facilities; the CIL payment will assume the majority of previous S106 contributions.

Figure 8.1. Map of Children's Play Facility Deficiency



Source London Borough of Bromley 2016

9. HERITAGE ASSETS

Definition

9.1 The NPPF encourages the conservation of *heritage assets in a manner appropriate to their significance, so that they can be enjoyed for their contribution to the quality of life of this and future generations*³⁴. A heritage asset can be a landscape, place, building, monument or feature that has been identified as having special architectural or historic interest. Heritage assets in the borough range from nationally and locally listed building to ancient monuments and sites, and include Conservation Areas.

Existing Heritage Provision

9.2 At present, borough heritage provision includes:

- 9 Scheduled monuments
- 28 Areas of Archaeological Significance
- 621 Statutory listed and 2153 locally listed buildings
- 45 Conservation Areas
- 5 Registered Historic Parks and Gardens

9.3 Historic England maintain the Heritage at Risk (HAR), which includes all listed buildings, places of worship, monuments, parks and gardens, conservation areas, plus other heritage categories which are assessed as being vulnerable through poor condition and or vacancy. The HAR Register 2018 lists 23 sites within the Borough that have been determined as being at risk.

9.4 Whilst heritage assets may be in varying states of repair, they should be both maintained and protected by their respective owners. The Council encourages the protection of heritage assets, therefore maintaining the contribution that they make to our culture and quality of life. When a heritage asset undergoes neglect or inappropriate alterations, the Council has a number of tools and powers available to help remedy the situation, including the planning and legal systems. This may involve ongoing and ad hoc actions by the Council towards the owner(s) of historic assets, for example in the assessment of planning applications, provision of advice to owners, maintenance of the public realm and enforcement action to cease or remedy inappropriate alterations.

9.5 Over the Local plan period 2017-31 there will be projects which the Council identifies that aim to proactively improve heritage assets. These include Crystal Palace Park.

Crystal Palace Park

9.6 Crystal Palace Park is a Grade II* historic registered park and garden designed by Sir Joseph Paxton. The 200 acre park was created between 1853 and 1855 with spectacular water features, a grand terrace to house the 1851 Crystal Palace relocated from Hyde Park (burnt down in 1936), a central axis and models of pre-historic monsters/dinosaurs that are Grade I listed. The site was designed to impress, educate, entertain and inspire and was an international attraction. The

³⁴ NPPF para 17

iconic dinosaurs were the Victorians' answer to Jurassic Park. Sculptor and fossil expert Benjamin Waterhouse Hawkins and founder of the Natural History Museum Richard Owen erected the model dinosaurs when the park first opened. They were the first artistic representations of dinosaurs of their size and have been enjoyed for over a century. In the 1960s sporting significance gave additional heritage interest and the National Recreation Centre is Grade II* listed.

9.7 However, this is a large and complex park with the 19th and 20th century legacies competing with each other³⁵. Many of the built features associated with the original 'Crystal Palace' are now in a deteriorating condition. Crystal Palace Park was added to the London HAR in 2009, however, in 2018³⁶ the listing was changed to improving. The grade II listed terraces; the railings along Crystal Palace Parade and the pedestrian subway are also at risk. The park is now owned and managed by the London Borough of Bromley together with the Greater London Authority (GLA).

Infrastructure Costs

9.8 The owner (whether private or public) of a Heritage asset is liable for costs associated with that HAR assets, these will relate to their condition and potential use.

Crystal Palace Park

9.9 Recent projects already undertaken at Crystal Palace Park were funded by the Council and the Mayor of London who committed a total of £2.4 million capital to initially improve the park, in line with the Sustainable Regeneration Plan drawn up by consultants, and with the Heritage Lottery Fund (HLF) also contributing.

Funding Sources

9.10 In January 2020, the Regeneration Plan for Crystal Palace Park was submitted for outline planning permission. A decision on the application is anticipated for November 2020 and once permission is received, the plan will be delivered in two key phases over around five years.

9.11 The Regeneration Plan is a £40 million, comprehensive scheme that brings forward physical regeneration works, as well as a new form of governance for the park and a sustainable business model. The scheme will reinvigorate the park as a contemporary and historic showcase in tune with Sir Joseph Paxton's original vision. It will develop the park's local and regional identity, re-establish its national and international significance, and provide community benefits through significantly enhances facilities, and better connections with the local economy.

9.12 The plan is largely funded by the sale of two sites for development sites on the periphery of the park. Other funding will be sought from grant giving bodies including the National Lottery Heritage Fund, the National Lottery Community Fund, and Historic England.

³⁵ Historic England Crystal Palace Park Case Study Oct 2015

³⁶ Heritage at Risk (HAR) 2018

10 PUBLIC REALM

Definition

10.1 The public realm in the context of this IDP section consists of streets, squares, hard and soft landscaping between buildings. It is where public activity takes place; where people walk, drive, and cycle, meet and interact. The public realm plays a vital role in the connectivity and legibility of a place and an attractive, efficient and good quality public realm can help facilitate regeneration and growth in an area. The public realm is an important aspect of any development and ensures that the development is integrated into and enhances the existing character and use of the area.

Existing Provision

10.2 The Council will seek to identify there is a demonstrable need for significant improvements to the public spaces in and around development sites, town centres and local parades. In line with the priorities of 'Building A Better Bromley', the Council will actively seek to implement and/or promote public realm improvement strategies and programmes within these areas with the objective of encouraging inward investment, improving the vibrancy and vitality of town centres and local parades and uplifting the quality of the physical environments around development sites. Projects will be commissioned subject to the availability of funding which may be sourced from developer contributions, Transport for London implementation programmes, central government funding schemes for e.g. New Homes Bonus Fund or internally funded by the Borough through its Growth Fund.

10.3 Project work streams would include:

- Improved public spaces that support community use, local events and markets
- New and or replacement high quality contemporary paving
- Kerbside and carriageway improvements
- Upgraded pedestrian and street lighting
- New and improvement street furniture
- New and/or replacement public and street trees and planters
- Wayfinding improvements which include the implementation of 'Legible London' signs, heritage plaques, welcoming signage and murals
- The lighting of strategic building and points of interest in town centres
- Shop front improvement programmes

Current Projects

10.4 Projects that have been identified and are currently underway include public realm improvement schemes for:

- Bromley Town Centre High Street (£3.1m),
- Beckenham Town Centre (£4.4m),
- Penge Town Centre (£1.1m),
- Orpington Walnuts Shopping Area (£850K).

10.5 The planned improvements for *Bromley High Street* were driven by the successful Bromley North Village Improvement Scheme which was based on a policy

of the Bromley Town Centre Area Action Plan³⁷ and jointly funded by the Council, TfL and the Mayor of London. It was always envisioned that a further stage of the programme would involve improvements to the central High Street area and uplift in the public realm would support various forthcoming development opportunities planned for the town centre. This scheme is currently funded by the Council with contributions to be pooled from major developments coming forward in the town centre.

10.6 In *Beckenham Town Centre*, it was identified that the High Street lacks coherence and legibility with tired and outdated public realm that also lacked connectivity between its main destinations and public spaces. The High Street was perceived to be undergoing economic pressure and decline linked to falling pedestrian footfall, particularly during the daytime which was accentuated by the substantial loss of office floor space. Based on this, the Council made a successful bid to TfL to undertake a Major Improvement Scheme that would attract inward investment into the day and night time economy and improve community safety, amenity, legibility and coherence of the public realm to increase footfall and cycling and the waiting experience of bus passengers.

10.7 *Penge Town Centre* was also suffering from similar issues in terms of lacking coherence, legibility and connectivity between its major rail stations and public spaces. The two town squares suffered from poor quality public realm and the pavement on the High Street is dated and tired. The New Homes Bonus Top slice Fund has provided the Council with the opportunity by means of funding to address this and a major programme of improvements is underway.

10.8 The New Homes Bonus Top Slice Fund along with the Mayor's High Street Fund and Section 106 contributions are also being used to fund major improvements to the Walnuts Shopping area in *Orpington Town Centre* which has recently seen an uplift in vibrancy in terms of the opening of a 7 screen multiplex cinema, a 61 bed hotel and a future high quality 83 unit residential development. The quality of the public realm which was dated and impractical needed to be upgraded to match the high quality development and anticipated increased vibrancy of the area.

Future Demand

10.9 Economic growth is a priority for the Borough and it is envisioned that future growth comprising of increases in the retail offer, employment workspaces and residential developments in the town centres would in turn increase pressures on the physical environment. Public realm improvements would be a necessary means to minimise, eliminate or mitigate against the negative impacts of these pressures and such mitigation may be required to cover aspects such as quality and durability of the public realm, access and connectivity, community safety and other matters integral to improving the quality of the environment for users and residents of these areas. As future work streams for growth are identified, it is anticipated that there may be future public realm improvement projects required to meet this need, subject to the availability of funding through the channels discussed above.

10.10 It is appropriate that the CIL or S106 planning obligations for public realm improvements are sought from developments within town centres in order to address the localised impacts of introducing new residents and visitors to an area. It is necessary and reasonable for all new development coming forward within a town

³⁷ Bromley Town Centre Area Action Plan adopted 2010

centre locality to contribute towards public realm improvements that go beyond a specific site boundary.

Infrastructure Costs

10.11 It is anticipated through the analysis of expenditure on previous and current projects (and factoring increases in the costs of materials and labour) the yearly cost of future public realm projects borough wide would be in the region of £2m per annum. Over the Local Plan period 2016-2031, this funding will be required to maintain and/or update the public realm in Town Centres. To date, the Council is planning a £4.1m upgrade to the public realm of Bromley High Street which is included in the wider regeneration strategy for Bromley town centre and as part of an ongoing process; the Council will be identifying future potential projects in locations in Bromley, Beckenham, Orpington, Penge, West Wickham and Crystal Palace town centres (details of these projects will be provided in future iterations of the IDP Schedule). This strategy is in line with the Council priorities of supporting 'Vibrant and Thriving Town Centres' and providing a 'Quality Environment'.

Funding Sources

10.12 Most schemes have previously been funded either internally or through external sources, such as the New Homes Bonus, Outer London Fund, High Street Fund, and supplemented by developer contributions through the S106 process. To date, this has been an efficient method of funding delivery of these schemes particularly where there has been a certainty of a timely delivery of these projects. In light of reduced funding being made available from Central Government and funding pressures from other Council priorities, it is likely that funding for public realm projects relating to the enhancement of the appearance, safety and security of the general public realm, particularly in Town Centres,

10.13 It is also expected that provision be made to allow s106 obligations to continue to be a source of funding for public realm improvements provided within a development site or in the project being undertaken in the vicinity of the development to mitigate against the negative impacts of the development. Projects of wider significance may be funded via CIL

11. EMERGENCY SERVICES

Definition

11.1 Emergency services in Bromley consist of the Metropolitan Police (MPS), the London Fire Brigade, and the London Ambulance Service. The Metropolitan Police and the London Fire and Rescue Service both have divisions within Bromley, whereas the London Ambulance Service functions as part of a London-wide NHS trust.

Existing Infrastructure Provision

Metropolitan Police

11.2 Bromley's main deployment base is Bromley Police Station, located in Bromley High Street. The majority of staff, including all of the Emergency Response Teams, investigative teams, with custody facilities based there. In addition, Dedicated Ward Officers (DWO) and Police Community Support Officers are based in Safer Neighbourhood bases in various locations including St Mary Cray, Biggin Hill, West Wickham and Beckenham. The Metropolitan Police Service (MPS) sets the number of officers that are deployed within each of the Borough Command Units in London.

Fire and Rescue Service

11.3 The statutory responsibility for the operation of the London Fire Brigade lies with the London Fire Commissioner role, which replaced the London Fire and Emergency Planning Authority in April 2018. The London Fire Commissioner is responsible for providing London's fire and rescue service with the London Mayor setting the commissioners budget. There are four fire stations in the borough; Bromley Town Centre, Beckenham, Biggin Hill and Orpington. The fire service operates across boundaries and sends its resources to the nearest emergency irrespective of borough.

Ambulance Service

11.4 The 999 service provided is purchased by Clinical Commissioning Groups, and performance is monitored by NHS England. The London accident and emergency service is split into three operational areas; west, east and south with 70 Ambulance Stations. There are three ambulance stations in the borough, at Crown Lane Bromley, Beckenham Road Beckenham, and Chipperfield Road St Pauls Cray³⁸. The Ambulance Service main role is to respond to emergency 999 calls, providing medical care to patients across the capital, 24-hours a day, 365 days a year. Other services offered include providing pre-arranged patient transport and finding hospital beds. Working alongside the police and the fire and rescue service, are prepared for dealing with large-scale or major incidents in the capital.

³⁸ <http://www.londonambulance.nhs.uk/> accessed July 2020

Current Shortfall

Metropolitan Police

11.5 Crime is a key issue for local people across London and developers have been showing interest in incorporating DWOs within their schemes. In addition, for large schemes referable to the Mayor, the MPS will liaise with developers to arrange on site delivery of Dedicated Ward Offices (DWO). A DWO is a 24/7 base of operation for officers of the MPS. It is not a public facing office, but rather a location typically used by officers at the beginning and the end of their shifts which can be situated in a 'back of house location'. The MPS would pay a 'peppercorn' rent for the space in addition to service charges. The MPS currently police over 600 wards across Greater London, DWOs are integral to these efforts. The MPS requires 24/7 access to all DWOs for operational purposes. The MPS have identified the following locations (in the London Borough of Bromley) that are in particular need of DWO coverage:

- 1) Kelsey and Eden Park Ward;
- 2) Biggin Hill Ward;
- 3) Cray Valley West Ward;
- 4) Cray Valley East Ward;
- 5) Petts Wood and Knoll Ward;
- 6) Orpington Ward;
- 7) Farnborough and Crofton Ward;
- 8) Chelsfield and Pratts Bottom Ward;
- 9) Darwin Ward;
- 10) Bromley Common and Keston Ward;
- 11) Hayes and Coney Hill Ward;
- 12) West Wickham Ward;
- 13) Bickley Ward;
- 14) Chislehurst Ward;
- 15) Plaistow and Sundridge Ward;
- 16) Copers Cope Ward; and
- 17) Clock House Ward.

Fire and Rescue Service

11.6. LFC's Asset Management Plan lists Biggin Hill and Bromley Fire stations as requiring improvement.

Ambulance Service

11.7 Target response times are set by the government and the service is measured against these annual performance targets as well as other standards of service. In January 2020 the Ambulance Service was rated 'Good' by the CQC following an inspection our services and leadership in September 2019.

Future Demand

Metropolitan Police

11.8 The growth in homes, offices and other uses within the Borough will significantly increase the need for policing and the cost for associated infrastructure. The MPS have set out a range of policing infrastructure they require and are seeking funding through s106 or CIL where possible. This includes staff set up costs, vehicles, Mobile IT and automatic number plate recognition cameras to detect crime

related vehicle movements. The MPS is currently preparing a calculation formula to enable the collection of financial contributions.³⁹

Fire and Rescue Service

11.9 Standard of service is linked to response times and does not directly correlate with expected growth patterns. Although increased levels of development are likely to increase the number of incidents the fire service must respond to. The most recent London Safety Plan does not highlight any foreseeable infrastructure demands arising from forecasted growth in the borough over the Plan period. However as mentioned above Biggin Hill and Bromley Fire Stations are priorities for improvement, requiring replacement/refurbishment.

Infrastructure Costs

11.10 Metropolitan Police, the MPS is currently preparing a calculation formula to enable the collection of financial contributions from developers for potential s106 funding for policing infrastructure associated with DWO's. The Fire and Rescue Service has requested that 'fire-fighting' facilities be added to the Borough's draft IDP schedule of projects, in order that they can be considered for funding/part funding by CIL; however there are no indications of costs to date.⁴⁰

³⁹ Advised by Lambert Smith Hampton acting on behalf of the MPS, 3 March 2020.

⁴⁰ Advised by Dron & Wright acting on behalf of LFC. 4 March 2020

12. ENERGY AND LOW CARBON

Definition

12.1 Minimising energy consumption and supplying power from sustainable sources is a key aim within the London Plan, as established by the energy hierarchy⁴¹. It is intended that this will help mitigate the impacts of climate change. One such method is through Decentralised energy; a term not widely understood, but broadly refers to energy that is generated off the main grid, including micro-renewables, heating and cooling⁴². The changes required to achieve sustainable development will have implications upon existing infrastructure and require new developments to utilise energy networks and in some cases, provide new energy sources. Applicants for planning permission are required to set out how any proposals will apply the following energy hierarchy:

- Be lean: use less energy
- Be clean: supply energy efficiently
- Be green: use renewable energy

Existing Infrastructure Provision

12.2 Reducing energy consumption can be achieved with efficient building design and operation and therefore has infrastructure implications. This will be delivered through the Local Plan policies and national building regulations. Existing buildings in the borough will already have a range of efficiencies built in, depending on the policies and regulations they were subject to at the time of planning and construction.

12.3 Creating Decentralised Energy (DE) networks is a relatively new approach to the sustainable delivery of energy and therefore examples of existing infrastructure are limited. There is a Combined Heat and Power (CHP) plant at The Walnuts in Orpington, first built in the 1980s to supply heat via a high/medium-temperature hot water district-heating system. Subject to the replacement of the current aging CHP plant, surrounding premises could (as currently happens) be supplied heat as part of a larger and expanding energy network.

Current Shortfall

12.4 The majority of buildings in the borough are likely to fall short of current standards for energy efficiency. This is especially the case for a large proportion of public buildings which are likely to be older stock. This is largely to do with recent policy placing emphasis upon the issue of climate change mitigation which has had significant impact upon the design and management of buildings.

12.5 A comprehensive DE network does not currently exist within the borough. The Arup (2012) Heat Mapping Study⁴³ of the London Borough of Bromley shows that the building proximity and heat demands potential opportunities for district heat networks, outside of Bromley Town Centre are limited.

12.6 The Arup study goes on to state that this does not mean that there are no opportunities in the borough to achieve the wider aims of decentralised energy

⁴¹ The London Plan 2011; London's Response to Climate Change.

⁴² <https://www.carbontrust.com/news/2013/01/decentralised-energy-powering-a-sustainable-future/>

⁴³ Arup Heat Mapping Study 2012 - <https://data.london.gov.uk/dataset/london-heat-map>

schemes, namely; decarbonisation of the energy supply, resulting in reduced fuel poverty and increased security of supply⁴⁴.

Future Demand

12.7 Standards for new buildings in the borough are set out in the emerging Local Plan and follow a stepped approach towards zero-carbon development, whereby targets for carbon emissions gradually increase up until 2031 in accordance with the London Plan. The emerging Local Plan also explains how carbon reductions should be met on site where feasible and allows for any shortfalls to be met off site where exceptional circumstances exist.

12.8 The Heat Mapping⁴⁵ exercise has identified opportunities for a heat network within Bromley Town Centre. This opportunity cluster contains a few potential large heat loads, such as Bromley Civic Centre amongst other large sites. This cluster could also be considered as a wide catchment area within which smaller potential heat network(s) may exist, and if built over time may connect together to make a bigger network. Potential new developments also exist in the area that have been identified in the Bromley Town Centre Area Action Plan.

12.9 At this stage, taking forward the Bromley Town Centre cluster would require additional feasibility investigation work to establish an understanding of other potential loads in the cluster area.

12.10 The borough can largely be characterised as:

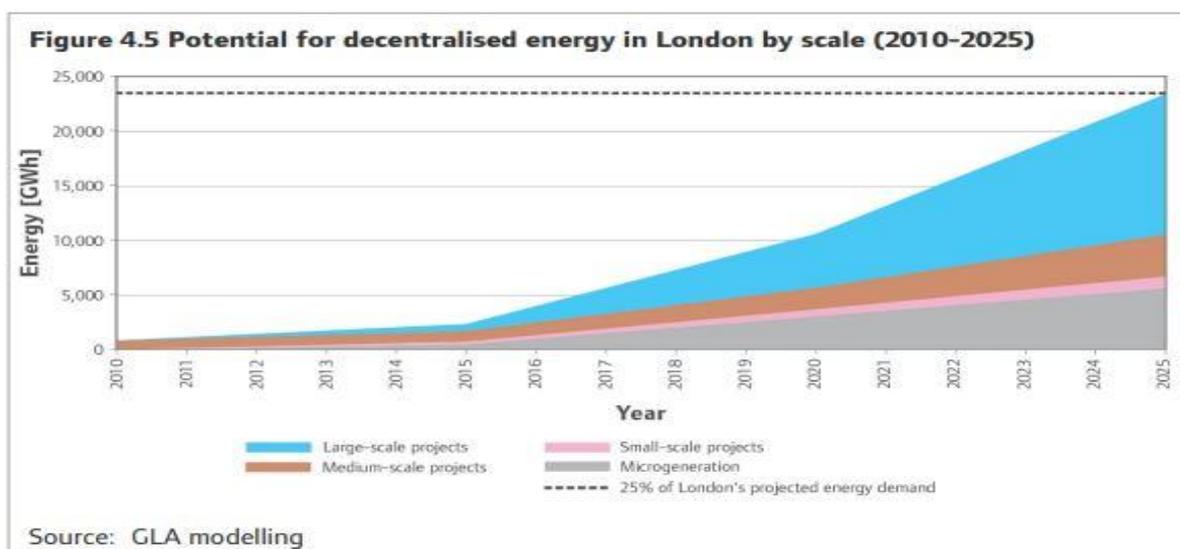
- A suburban region with energy loads relatively sparsely spread
- Few large publically owned energy loads (government offices, hospitals, prisons)
- Few large energy sources (e.g. waste treatment plants, industrial processes, power plants)

12.11 The appropriate options for decentralised energy would therefore be focused on taking a more building level technical approach rather than a district level technical approach.

⁴⁴ Mayor of London – London Heat Map +, Heat Mapping Study – London Borough of Bromley

⁴⁵ Mayor of London – London Heat Map +, Heat Mapping Study – London Borough of Bromley

Figure 12.1 Potential for decentralised energy in London by scale (2010-2025)



Source: (GLA Modelling) Mayor of London. Delivering London's Energy Future, October 2011

Infrastructure Costs

12.12 Improvements to the energy and low carbon infrastructure within the borough will predominantly be provided through new development with costs being absorbed as part of wider development financing.

12.13 Capital costs of London-wide piping to multiple heat generators would exceed £100 million as costed by the Mayor of London's Delivering London's Energy Future⁴⁶ 2011. Local costs have not been identified for developing a section of this network within the London Borough of Bromley.

Funding Sources

12.14 Section 106 agreements, including monies from a local carbon offsetting fund, will be key for delivering such infrastructure on development sites. CHP and other energy and low carbon infrastructure units can be delivered in this way, as well as the connection to energy centres. It is important that developments that intend to connect to a wider heat network are designed to accommodate the necessary infrastructure to facilitate this, even if the completion of the development precedes the completion of the heat network.

⁴⁶ https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/Energy-future-oct11.pdf

13. WASTE AND RECYCLING

Definition

13.1 The collection of domestic waste and recyclable materials is a statutory duty for local authorities under the Environmental Protection Act 1990. The waste and Recycling Regulations 2015 and the London Environment Strategy set out the types of recyclable materials that the London Borough of Bromley is required at a minimum to provide a separate recycling collection from its households.. The London Borough of Bromley provides the following waste and recycling collection schemes:

- Every other week non-recyclable refuse contained in black sacks;
- Every other week black box for paper and card;
- Every other week green box for plastics, glass and cans;
- Weekly outdoor caddy for food waste, and
- Subscription-based green garden waste collection.

13.2 Facilities for waste disposal are planned sub-regionally, through the emerging South London Boroughs Joint Waste Apportionment Technical Paper. The technical paper is directed by waste management policies detailed in the London Plan, protecting existing sites and allocating new sites to meet the waste needs of the borough.

Existing Infrastructure Provision

13.3 Waste collection and disposal services are operated by a contractor, Veolia ES UK Limited, following the award of the Waste Collection and Waste Disposal contracts in November 2018. The eight year contracts commenced on 1 April 2019 with an option to extend for a further eight years.

13.4 There are two council owned recycling and waste transfer centres in the London Borough of Bromley, located at Churchfields Road in the west of the Borough, and Waldo Road which is to the north but central area, near the main town centre. Waldo Road is the largest with an average annual throughput of 128,500 tonnes⁴⁷. Churchfields Road has a capacity average annual throughput of 21,000 tonnes.

13.5 Waldo Road and Churchfields Road are council run refuse and recycling facilities, incorporating a Household Reuse and Recycling Centre, a Waste Transfer Station, and a depot area providing a base for the operation of local authority waste collection and disposal activities. Waldo Road also features vehicle repair facilities⁴⁸.

13.6 There is also Swanley recycling centre on Cookham Road, an open composting facility that is currently run by Biogen. Located in the Green Belt, it received planning permission in 2012 for an anaerobic digester plant which was supported by the council with a view to it being used for managing household waste⁴⁹.

13.7 Waste destinations as of 2018/19 were as follows; Recycling 22%; Composting 20%; Waste to energy 31%; Landfill 27%.

⁴⁷ Average annual throughput based on three years 2016/17 to 2018/19

⁴⁸ Development Control Committee Report – July 2016

⁴⁹ Development Control Committee Report – July 2016

13.8 144,233 tonnes of local authority collected waste was collected in 2018/19 and the household recycling rate was 50%.. The table below breaks down collected waste and waste received at Household Waste Recycling Centres (HWRC).

Table 13.1: 2018/19 Tonnages

Material	Tonnes
Refuse - RDF production	19297.56
Refuse - Landfill	19139.28
Refuse - Energy from Waste	44999.92
Asbestos	50.94
Plasterboard	63.52
Glass from bottle banks	561.54
Kerbside Plastics & Cans & Glass	12826.9
Hard Plastics	7.64
Kerbside Paper	12686.44
Oil	18.84
Cooking oil	1.84
Iron	940.24
Bric a Brac	594.08
Garden waste	17404.24
WEEE	613.838
Gas Bottles	2.02
Tyres	2.96
Fridges	278.34
Inert	0
Shoes	8.24
Wood	3502.26
Cardboard	61.02
Detritus (green waste)	1513.75
Ink cartridges	0.42
Food Waste	9272.47
Mattresses	276.62
Books	105.08
Paint	3.26
Total Waste	144233.3

Current Shortfall

13.9 The Borough's recycling and waste transfer centres are not at capacity and both have a licensed annual throughput that exceeds the actual recycling tonnage averaged over the last three years.

13.10 The London Borough of Bromley is able to calculate past performance in waste collection and disposal via contractual monitoring. Table 13.2 below shows the 2018/19 targets and the actual figures for that year through Key Performance Indicators (KPIs).

Table 13.2 Waste and Recycling Key Performance Indicators

Description (KPIs)	2018/19 Target	2018/19 Actual
Household waste recycled/composted (%)	50	50

Municipal waste landfilled (%)	24	27
Residual waste per household (kg)	485	454
Organics recycling per household (kg)	N/A	189
Number of garden waste customers	27,259	28189
Total waste arising (refuse & recycling) (tonnes)	146,000	144,233
Missed bins (per 100,000)	60	128
	120	135

Future Demand

13.11 Reducing the amount of waste generated is not only better for the environment but also minimises disposal costs. Therefore, we will continue to work with residents and local businesses to waste less and recycle more, providing a high quality waste service that is financially and environmentally sustainable. The Council aims to increase the proportion of waste recycled and has a target to send virtually zero to landfill from 2020/21.

13.12 Bromley's recycling performance remains high compared with other London boroughs, at 50%. However, our recycling rate has plateaued. The Council's Reuse and Recycling Plan sets out activities that will be taken over the period 2019 to 2022 to support households and businesses in Bromley to minimise waste and increase recycling.

13.13 Legislation and policy may also require the Council to review its collection and disposal options to ensure regulatory compliance. For example, the Governments Resource and Waste Strategy for England 2018 could alter the way in which local authorities manage waste in the future with consideration of a system where producers (i.e. manufacturers of products/ retailers) fully fund local authority collection systems.

13.14 The Council will continue to promote its subscription-based green garden waste collection scheme through a range of communication channels. In addition, the collection schedules will be altered in 2020/21 to enable further growth of the service. It is hoped that customers of the Green Garden Waste Collection Service will increase to 35,000 with the option to pay by Direct Debit.

13.15 Options for site reconfiguration at Waldo Road and Churchfields Road HWRCs will continue to be explored to facilitate better separation and quality control of recyclable and reusable materials. The allocation of Waldo Road, Churchfields and Cookham Road as strategic waste management sites will safeguard them for waste uses only⁵⁰.

Infrastructure Costs and Funding Sources

13.16 Following a review of Council Depots in 2017, a programme has been identified for improvements including making the drainage and hard standing at Waldo Road and Churchfields Waste Depots fit for purpose. This Depot Improvement Programme will be funded through identified council capital funds. The Programme is currently in the design stage and has an estimated completion date of 2022/23.

⁵⁰ Development Control Committee – July 2016

14. FLOOD RISK MITIGATION

Definition

14.1 Flooding can be caused by a range of sources including heavy rainfall, rivers overflowing or river banks being breached, dams overflowing or being breached, or groundwater emergence⁵¹. There are areas of land in Bromley surrounding the main watercourses in the north of the Borough that sit within flood zones 2 and 3 of the River Ravensbourne and the River Cray. These areas are at particular risk of flooding and have been the subject of floods in the Ravensbourne catchment since 2001.

14.2 Surface water flooding will occur as storm water flows over ground towards the Main River Network. Normal ground water flooding affects a tiny proportion of residences, other than those with un-tanked basements or cellars. There is group known as Groundwater 'Solution Cell' which consists of the neighbouring boroughs, which was initiated in 2014 following the major Groundwater emergence in Croydon and Bromley to monitor, investigate and develop medium to long-term measures for managing groundwater flooding. The Environment Agency regularly monitors Groundwater levels and issues alerts to members of this group.

14.3 The Flooding and Water Management Act (FWMA) 2010 requires the London Borough of Bromley, as the Lead Local Flood Authority (LLFA), to develop, maintain, apply and monitor a strategy for local flood risk management in its area.

14.4 As the LLFA, the Borough has a duty to identify the causes of surface water flooding, including groundwater, and determine those organisations or authorities that have a role in mitigating the flood risk. Bromley is of the South East London Flood Risk Partnership (SELFRP), working in partnership with the boroughs of Bexley, Lewisham, and Greenwich.

Existing Infrastructure Provision

14.5 The Borough of Bromley is outside of the tidal limit of the River Thames and therefore is not affected by coastal flood risk. However, there is a risk of river flooding. In an effort to address the flood risk from rivers, the Environment Agency, its predecessors and partners have implemented alleviation measures to reduce the risk to the community. This included significant works undertaken on the River Ravensbourne in the mid to late 1960s to improve the channel's ability to convey floodwater quickly to the River Thames. Rivers in the borough have been extensively culverted which can create significant complications when preparing future proposals to manage the flood risk. This is especially in regard to maintenance and risk of blockage during flood incidents.

14.6 Environment Agency data indicates that as a consequence of existing mitigation works, 85% of the properties at risk of fluvial flooding in the borough are in areas where the likelihood of flooding is low. However, 1252 properties, less than 1%, remain at a moderate to significant risk of fluvial flooding within the borough. These are largely grouped along the length of the River Ravensbourne and its tributaries.

⁵¹ London Borough of Bromley – Local Flood Risk Management Strategy, August 2015

14.7 The Ravensbourne catchment partnership is hosted by Thames21. The steering group is made up of Thames21, the Environment Agency, London boroughs of Lewisham, Bromley and Greenwich, the London Wildlife Trust and the Quarry Waterways Action Group. The priority river basin management issues to tackle in this catchment are the physical modifications made to the river, diffuse pollution from urban areas and point-source pollution of sewage.

Current Shortfall

14.8 The shortfalls currently identified in the flood mitigation infrastructure in Bromley are being addressed over time by planning restrictions that reduce run off from redeveloped sites, by creating the Local Flood Risk Management Strategy action plan and through active cooperation with agencies such as the Environment Agency and partners.

Future Demand

14.9 The probability of flooding will increase in the future as a result of factors such as:

- Urban Creep (infill development and loss of green space)
- Ageing infrastructure (increased pressure on drainage systems and other infrastructure designed for different levels and patterns of use and in deteriorating condition)
- Population Growth (denser populations means the impact of a flood for a given area will impact upon more people)
- Climate Change (increased storms)

14.10 Development management policies aim to prevent vulnerable development, such as housing, from being located in areas of the borough where there is a heightened risk of flooding. All development proposals should seek to incorporate Sustainable Urban Drainage Systems (SUDS) or demonstrate alternative sustainable approaches to the management of surface water as far as possible. In flood risk areas, the sequential test and exception test, as set out in the NPPF and associated technical guidance, should be applied. Flood Risk Assessments should be submitted in support of all planning applications in these areas as for major development proposals across the borough to ensure that all development is appropriate.

14.11 The Surface Water Management Plan (SWMP) 2011 for Bromley identifies critical drainage areas and local flood risk zones in the borough. The SWMP has an action plan which is designed to be reviewed and updated annually, with potential impacts for infrastructure needs in the future. Many mitigation measures identified in the SWMP aim to protect existing infrastructure from flooding. These measures should be delivered by the relevant infrastructure provider, in line with an agreed timeframe with the Council.

14.12 Bromley will continue to contribute to key mitigation projects within the flood risk management partnership (SELFRG) area such as the Thames Estuary 2100 Plan, the Ravensbourne Corridors Improvement Plan and the Cray Valley's set of long-term projects.

Infrastructure Costs

14.13 A Flood Risk Management Plan (FRMP⁵²), published August 2015, was conducted by JBA Consulting on behalf of the London Borough of Bromley. Annex 3 of the Flood Risk Management Strategy includes indicative costs of potential schemes. The Environment Agency has four projects in the borough dealing with Fluvial Flood Risk Management in their current 6 year plan - see Table 14.1 below.

Table 14.1 Environment Agency Projects - Updated July 2020

Location	Project	RFCC	Value (£'s)	GiA (£'s)	External funding Req'd (£s)	Number of Properties at risk
Kyd Brook – project being amended to improve flood risk for area impacted by recent floods.	Fluvial Flood Risk Management	Thames	1,380?	814	TBC £100.00 bid	195
Ravensbourne (East Branch) (Options being finalised)	Fluvial Flood Risk Management	Thames	634	120	63	11
St James Stream, Upper Elmers End – progress uncertain	Fluvial Flood Risk Management	Thames	1,236	767	TBC	110
Beck (East Branch) progress uncertain	Fluvial Flood Risk Management	Thames	497	80	50	108

Funding Sources

14.14 The Environment Agency operates a Flood Defence Grant in Aid (FDGiA) programme for capital works which runs on a six year programme with an opportunity to refresh on an annual basis (see current list of local projects above). This can be applicable to all flood mitigation schemes, subject to being put forward for project appraisal funding at the annual programme refresh.

14.15 As LLFA, Bromley Council will, where possible, prepare schemes and measures that provide multiple benefits and target government funding for the most vulnerable communities. An area-based grant is available to each LLFA from central government, depending on the level of flood risk.

14.16 Bromley works with the SELFRG partnership and with other organisations to support their applications for funding where there will be a tangible benefit to Bromley or its residents.

⁵² http://www.bromley.gov.uk/downloads/file/2236/flood_risk_management_strategy_appendix_3_action_plan

Infrastructure Delivery Plan (IDP) Schedule Table 2020

Project Name	Timeframe	Estimated Value (capital costs)	Funding currently secured/ identified	Remaining funding gap	Project Status
Transport					
Shortlands, Ravensbourne and Bromley Better Villages Liveable Neighbourhoods	2019-2022	£5,000,000	The project has been approved by TfL with £149k of feasibility funding provided in 2019/20.	Indicatively fully funded	TfL Gateway 2 Feasibility
Junction and on-line improvements from Keston to Biggin Hill including Keston Mark Junction	2019-2022	£1,000,000+	TfL TLRN funding, TfL Bus Priority Programme, LIP3 contribution, S278	£1,000,000+	Feasibility design by TfL
Car clubs, Borough wide	Ongoing	N/A	Operator permit fee and LIP S106	N/A	Ongoing monitoring and development
Local Cycle network	2019-2041	£12,000,000	LIP	£9,400,000	Ongoing
Strategic Cycle Network (Excluding A21 Corridor)	2019-2041	£12,000,000+	TfL Quietways (or similar), S278	£11,400,000	Ongoing as routes are funded by TfL
Segregated cycle route on A21 Catford to Bromley Common SCA corridor	2020-2030	£20,000,000+	TfL	£20,000,000+	Aspirational
Cycle hub at Beckenham Junction Station	2019-2022	£120,000	TfL Cycle Parking funding	Funding potentially identified to bid for in future years	Feasibility
Cycle hub at Crystal Palace Station	2019-2022	£120,000	TfL Cycle Parking funding	Funding potentially identified to bid for in future	Feasibility
Cycle hub at Shortlands Station	2019-2022	£120,000	Liveable Neighbourhoods	Indicatively fully funded	Feasibility

Cycle hub at Bromley South Station	2019-2022	£120,000	No	£120,000	Aspirational, lower cost alternatives are being explored
Realignment and signalisation of Oakley Road/Bromley Common junction	2020-2030	£1,000,000	TfL TLRN funding	£1,000,000	Concept design
Bromley Town Centre Junction Enhancements	2020-2030	£3,000,000	TfL Liveable Neighbourhoods, Bus Priority Programme, S278	£3,000,000	Aspirational
Junction improvements at A21/A232 Crofton Road and A21 Farnborough Common	2020-2030	£1,000,000	TfL investment in TLRN and TfL Bus Priority Programme, S278	No funding identified	Aspirational
Chislehurst bus reliability scheme	2020-2030	£1m+	TfL Bus Priority Programme	None anticipated	On hold
Elmers End casualty reduction and regeneration scheme	2020-2030	£5,000,000+	Liveable Neighbourhoods, Mayor's Air Quality Fund	£5,000,000+	Aspirational
Provision of step free access at Petts Wood Station	2019-2024	£4,000,000	Department for Transport (Access for All)	Fully funded	Under development
Provision of step free access at St Mary Cray Station	2019-2024	£4,000,000	Department for Transport (Access for All)	Fully funded	Under development
Chislehurst or Elmstead Woods Station accessibility enhancements	2019-2024	£4,000,000	Department for Transport (Access for All)	£4,000,000+	Aspirational
Penge West accessible entrance and 'out of station interchange' improvements with Penge East	2019-2024	£3,000,000	Department for Transport (Access for All)	£3,000,000+	Aspirational
Passenger capacity enhancements including an additional entrance at Bromley South Station	2019-2027	£5,000,000	Department for Transport. Some funding identified but will not provide a satisfactory long-term solution.	£5,000,000	Aspirational

Passenger capacity enhancements and upgrades to Beckenham Junction station	2030-2041	£3,000,000+	Department for Transport	£3,000,000+	Aspirational
Increased capacity on South Eastern services serving central London termini	2019-2027	Private sector project funded by franchisee	New South Eastern Franchise	N/A	Awaiting appointment of new franchisee
Additional capacity on Elmers End London Trams branch	2019-2022	£9,000,000	Funding under review	£9,000,000	Early Development
Additional capacity on Beckenham Junction London Trams branch	2020-2030	TBC	TfL	TBC	Aspirational
Improvements to connectivity between Bromley Town Centre and Canary Wharf/Docklands	2022-2030	£250,000,000+	None	£250,000,000+	Aspirational
Beckenham to Bexley Express Bus	2022-2030	TBC	None	TBC	Aspirational
South London Metro/Metroisation to support improved orbital travel	2022-2041	Across south London c.£1,700,000,000	None	£1,700,000,000	Early development/ lobbying by TfL
Development of BRT Corridors to improve intra-borough connectivity	2022-2041	TBC	None	TBC	Aspirational
Improvements to public transport on the Crystal Palace to Beckenham corridor e.g. Tram extension to Crystal Palace	2022-2041	£200,000,000 + if tram	None	TBC	Aspirational
Improved connectivity with North West Kent inc. proposed Bromley South to Ebbsfleet International service	2024-2041	TBC	Department for Transport	TBC	Aspirational

Bakerloo Line southern extension Phase 2	Beyond 2030	£1,000,000,000	TBC	No funding secured	Aspirational by TfL. The Council is not supportive unless it can be shown to deliver connectivity benefits identified in Bromley's LIP3
Utilities					
Digital – 5G Cell project	TBC				
Education					
New 150 pupil SEN (ASD) Free School	2023	Not known DfE delivered	TBC	TBC	No current proposals
Expansion of St John's CE Primary	2016+	£4,430,300	TBC	£4,430,300	On hold
Expansion of Stewart Fleming (pioneer)	2018-20	TBC	TBC	TBC	Planning consent achieved. Phase 1 Construction complete. Phase 2 under construction. Works due to complete late 2020.
Expansion of Marian Vian Primary	TBC	£3,009,000	£182,389	£2,826,611	Planning application due to be submitted early 2019
Expansion of Wickham Common Primary	TBC	TBC	TBC	TBC	No current proposals
Expansion of Scotts Park Primary	2017	£3,468,000	TBC	TBC	On hold
Expansion of Farnborough Primary	2017	£5,093,000	£750,000	TBC	On hold
Expansion of Trinity (Princes Plain) Primary	2016	£6,537,000	TBC	TBC	Refurbishment of EDC underway. Later phases dependent on

					need.
Expansion of Castlecombe Primary	2017	£3,711,015	£3,711,015	TBC	Planning consent achieved. Phase 1 Construction complete
Expansion of St Mary Cray Primary	TBC	£2,970,000	TBC	£2,970,000	Currently at feasibility stage
Expansion of Blenheim Primary	TBC	£2,972,000	TBC	£2,972,000	Feasibility complete. Not currently progressing.
Expansion of Oaklands Primary	2016	£7,334,000	£2,512,000	£4,822,000	Planning consent achieved. Phase 1 under construction
New 8FE secondary school Eden Park High School	2019	Not known, delivered by DFE	TBC	TBC	Planning consent achieved under construction
New 6FE secondary school Bullers Wood School for Boys	2019	Not known, delivered by DFE	TBC	TBC	Planning consent achieved
New 6FE secondary school SHaW Futures Westmoreland Road	2020	Not known, delivered by DFE	TBC	TBC	At Planning Inquiry
New 6FE secondary school Harris Kentwood	2021	Not known, delivered by DFE	TBC	TBC	Feasibility
New 6-8FE secondary school Turpington Lane Allotments	TBC	TBC	TBC	TBC	No current proposals
New secondary school at BET Hayes Lane	TBC	TBC	TBC	TBC	No current proposals
Relocation and reprovision of Marjorie McClure Special School at land adjacent to Edgebury Primary School.	2020-22	Not known delivered by DfE	TBC	TBC	Planning application expected later in 2020.

Secondary expansion at Chislehurst School for Girls	TBC	TBC	TBC	TBC	No current proposals
Secondary expansion at Bishop Justus	2016-2019	£5,042,000	TBC	TBC	Complete
Special education facilities at BET Hayes Lane	TBC	£1,205,000	£1,205,000	£0	PRU Scheme at Feasibility
Special education facilities at Midfield Site	TBC	TBC	TBC	TBC	No current proposals
Special education facilities at Bromley Beacon Academy (Orpington)	2016-2018	£5,249,000	£5,249,000	£0	Planning consent achieved. Phase 1 complete, phase 2 complete, and phase 3 under construction.
*Special education facilities at Marjorie McClure	Post 2016	Not known, delivered by DFE	TBC	TBC	School now to be provided at site behind Edgebury Primary School (See above).
Health facilities					
Health Facilities	TBC				
Open Space, Parks, Gardens, Sports					
Crystal Palace Park Regeneration Plan	2017-25	TBC	TBC	TBC	DRR 20/018
Community Facilities					
West Wickham Library and Leisure Centre	2019-2022	TBC	TBC	TBC	DRR19053 & 027
Bromley Valley Gym	2019-2022	TBC	TBC	TBC	DRR19/059/A
Southborough Library?	TBC	TBC	TBC	TBC	DRR19/051 & CDS 19/181
Central Library & Churchill Theatre	TBC	TBC	TBC	TBC	TBC

Chislehurst Library	TBC	TBC	TBC	TBC	TBC
Public Realm					
Beckenham Town Centre - ??	DONE	COMPLETED	TBC	TBC	DRR19/049?
Bromley Town Centre Improvements	2015-19	TBC	TBC	TBC	DRR/20/020
Orpington Town Centre Improvements	2015-19	TBC	TBC	TBC	DRR20/021
Emergency Services					
Policing Infrastructure towards DWO costs.	TBC	TBC	TBC	TBC	TBC
Fire-fighting facilities	TBC	TBC	TBC	TBC	TBC
Energy and Low Carbon					
Carbon Off Setting Fund	On-going	Site specific – not known	Site specific	Site specific – not known	TBC
Combined Heat and Power facilities – creation of energy networks	Various schemes	Not known	LBB/developers	Not known	TBC
Waste and Recycling Facilities					
Waste/recycling facilities	TBC	TBC	LBB/contractors	TBC	TBC
Flood Risk Mitigation					
Flood Risk Mitigation - various	2020-31	TBC	FDGiA, Env Agency + s106	TBC	Strategic Flood risk Assessment. Local Flood Risk Strategy

Stakeholder list

The following agencies directly contributed to the production of this Infrastructure Delivery Plan in addition to relevant services in the Council and existing published infrastructure reports (referenced within each section):

- Community Facilities – Sport England, idverde
- Utilities – Thames Water, National Grid, UK Power Networks, SGN
- Waste – Environment Agency
- Flood Risk Mitigation – Environment Agency
- Health - NHS South East London CCG (Bromley) / NHS London Healthy Urban Development Unit
- Emergency Services – London Fire & Emergency Planning Authority (via Dron & Wright) Metropolitan Police Service (Via Lambert Smith Hampton)

Community Infrastructure Levy



Operational Guidance

September 2020

London Borough of Bromley

Planning Strategy and Projects

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1) INTRODUCTION

What is CIL?

1.1 The Community Infrastructure Levy (CIL) is a levy that allows local authorities to raise funds from new development towards local infrastructure. CIL will supplement rather than replace other sources of funding and will be used alongside a range of other funding sources to continue to invest in infrastructure projects that are required to facilitate and accommodate development in the borough and deliver the adopted Local Plan. Information on how the Council proposes to spend CIL can be found in Part 12 of this guidance.

1.2 CIL is a set charge based on square metres of proposed development at the rates proposed – it is non-negotiable but there are certain provisions that may affect the amount of CIL that has to be paid, such as whether there is Affordable Housing, if the unit is a self-build housing or if a development operated by a charity.

Why does the Council propose to operate a CIL?

1.3 New development will have an impact on the local infrastructure within the Borough. CIL income will assist the funding of the necessary infrastructure that the Council, local community/neighbourhoods need.

1.4 The implementation of a CIL will also have other benefits. It will provide developers with more certainty up front. They will know how much they will need to contribute before they submit a planning application and can factor this in the formulation of development proposals.

1.5 CIL will also provide local communities with greater transparency and understanding of the planning process by seeing how new development is contributing to their community/ward through publication of an 'Annual Funding Statement'. A set proportion of CIL will also be required to be spent in direct consultation with the Local Community where CIL Charging

development has occurred – more guidance on this is set out in Pat 13 of this guidance

CIL and Section 106

1.6 CIL will provide funds towards infrastructure to support the overall development of an area rather than direct mitigation of impacts of an individual development proposal. The Council may still require an individual site to enter into a 'Section 106 agreement' (S106) – which may require the provision of (or a financial contribution towards) measures or infrastructure necessary to make a development proposal acceptable in planning terms. This could include works to the adjacent highway needed to facilitate the development, landscaping and on-site open space, or sums towards the Council's costs of managing and monitoring certain aspects of the development. S106 Agreements will also be used to secure Affordable Housing provision

1.7 Further guidance on S106 agreements can be found in the Council's Planning Obligations Supplementary Planning Document – available at https://www.bromley.gov.uk/info/1004/planning_policy/160/planning_obligations_supplementary_planning_document

2) LIABILITY TO PAY CIL

General – what type of development and when?

2.1 Liability to pay CIL applies to all development proposals involving the creation of built floor space, or where creating a new dwelling, which is awarded planning consent on or after the date the schedule is adopted – irrespective of when the application was received by the Council. This includes development permitted under a Government Order, such as the General Permitted Development Order or awarded by the Mayor of London. However CIL does not apply:

- 1) Where the total gross new build floor space proposed (new buildings or extensions to existing buildings) is less than 100 square metres (unless the proposal involves a new residential unit)
 - 2) For floor space defined as a building where people ‘would not normally go’ such as for the purpose of maintaining or inspecting machinery (However floor space ancillary to main use that would be used by occupiers, such as underground car parking would be calculated as part of the development proposal).
 - 3) A building for which planning permission is granted for a limited period.
 - 4) The change of use of any building previously used as a single dwelling house to use as two or more separate dwelling houses.
- For ‘Full’ planning applications or Householder applications this is the date planning permission is awarded (where subject to a S106 agreement, the date the agreement is finalised).
 - For Outline Permission, CIL will be calculated on the date of the last Reserved Matter, however should the outline permission be granted prior to CIL coming into effect, the proposal will not be liable to pay that CIL
 - For sites not requiring express planning permission by the Council – such as those classified as ‘Permitted Development’ under the General

Permitted Development Order – the date the proposal is implemented is deemed for the purposes of CIL to be the date planning consent is awarded,

- Amendments to existing planning permissions may also incur a CIL charge, this is covered in Part 10 of this report

Existing Buildings and Demolition

2.2 The CIL Regulations permit existing floor space that is in lawful use for a continuous a period of at least six months within the three years prior to the award of planning permission, which will either be reused or demolished as part of the development, to be credited against the calculation of the 'Chargeable Area.

2.3 In short, should the proposal contain the demolition of a qualifying building, the Chargeable Area will be on the net increase in floor space. Likewise, should the proposal contain the change of use of a qualifying building, the chargeable area would be calculated on the additional floor space – i.e. any extensions proposed to the building.

2.4 Please note that the credit for an existing building does not alter the exemption for development under 100m². For example if a new development for 110 sqm² is proposed, and 50 sq. metres is proposed for demolition, the chargeable amount will be based on 60 sq. metres (110 sq. metres proposed – 50 sq. metres demolished = 60 sq. metres chargeable area).

Self-build Homes, Annexes and Residential Extensions over 100m²

2.5 The current CIL regulations permit homeowners developing an extension or annex of 100 sq metres or more to apply for a 100% exemption (or relief) to pay CIL. Please note the development is still liable and the exemption may include provisions to pay the liability should the building be sold in a set period or fail to operate as ancillary to the main dwelling.

2.6 The regulations also allow for exemption to pay CIL for those who are proposing to self-build a new home, however evidence needs to be supplied to support this claim.

2.7 It is essential that anyone wishing to claim such an exemption or relief follow the set procedure in the regulations, otherwise the Council may not be able to award the relief / exemption – more information can be found in Part 8 of this guidance.

Development by Charities

2.8 The CIL Regulations permit charitable institutions to claim 100% exemption to pay CIL where the development will be used wholly or mainly for a charitable purpose where occupied by (or under the control of) that charitable institution. Please note that the exemption applies to the claimant and only for their proportion of the operational development for the charitable purpose. A charitable exemption must be claimed in line with the set procedures, and may be required to be paid in future if there is a change of owner or the development ceases its charitable function. – More information can be found in Part 7 of this Guidance.

Affordable Housing

2.9 The CIL Regulations permit 100% relief on floor space propose for use as Affordable Housing – including communal areas associated with the use of Affordable Housing. The amount of relief is calculated after the Chargeable Amount has been determined and is subject to restrictions on the continued use of the floor space for affordable Housing – more details can be found in Part 6 of this guidance

Amending an existing planning application

2.10 If a planning application is amended prior to implementation, the Council will revise the CIL Liability noticed on the new floor space, However, where an amendment is proposed after the development has commenced,

the regulations operate an 'abatement' process – that's is the revised proposal becoming the new chargeable amount with the payment on the previous payment being credited towards it.. More details can be found in part 10 of this guidance.

Who is liable?

2.11 The standard assumption is that the existing landowner(s) is the liable party/parties for liability to pay CIL - at their material interest in the land. The CIL liability will be registered as a Local Land Charge and will be enforceable on all future parties with an interest in the land. Failure to pay CIL is an offence, which can result in a fine, cessation of the development or potentially commitment to prison.

2.12 The CIL regulations require that the interested party / parties identify themselves prior to commencement of development – through the submission of a 'Assumption of Liability Form'. Failure to submit this form may invalidate any claims for relief or exemption. The liability to pay CIL can be amended in future through the submission of a 'transfer of Liability Form'. Information that needs to be supplied to the Council is outlined in Pat 3 of this guidance

3) WHAT YOU WILL NEED TO SUPPLY AND WHEN?

As part of the Planning Application

3.1 A Form 1 – 'CIL Additional Information' must be supplied. Failure to supply a completed form may result in the Council refusing to 'validate' the planning application and not progress to a decision. This form enables the Council to determine whether and application is liable to pay CIL – it should be completed even if you consider that the proposal is not liable for CIL.

3.2 It is further recommended that an 'Assumption of Liability' form (Form 2: Assumption of Liability) is supplied at this stage - this will enable the Council to confirm early on whether the proposal qualifies for any relief claims; where there is more than one liable party, this will also allow the Council to determine the proportion of liability.

Following award of Planning Permission by the Council

The Council will aim to issue a liability notice' as soon as possible – this will set out the amount payable for the development. Should you envisage starting commencement but have yet to receive a liability notice, you must immediately notify the Council. Liability notices can be amendment prior to implementation in light of revised details.

Prior to commencement

3.3 Any claim for relief or exemption must submit the necessary form prior to the commencement of development, failure to supply this information may void any claims for exemption or relief, and may also incur a surcharge

Note: *All development with a CIL Liability MUST submit a Form 6 'Commencement Notice' prior to commencement, irrespective of whether they propose to claim any relief or exemption – failure to do so will result in a surcharge.*

Form 2: Assumption of Liability – where not supplied as part of the Planning application

Form 3: Withdrawal of Assumption of Liability – where the party / parties previously assumed liability now wish to withdraw that assumption

Form 4: Transfer of Assumed Liability – where the liable parties have changed since the award of planning permission

Form 5: Notice of Chargeable Development – Developments proposed under a government order – such as those under the General Permitted Development Order – are still liable to pay CIL and must submit to the Council this form outlining the proposed development – this should be supported with a completed 'Form 1 – 'CIL Additional Information' and (Form 2: Assumption of Liability) prior to commencing development.

Form 6: Commencement Notice – A CIL Liable development must notify the Council of the date they propose to implement the scheme – failure to do so will result in a surcharge being applied equal to 20% of the chargeable amount or £2,500, whichever is the lower amount .

Form 7: Self Build Exemption Claim - Part 1 – Those seeking to claim exemption as 'self-build proposals must complete this form. A further form with supporting evidence must also be submitted following completion – more information can be found in part 8 of this guidance

Form 8: Residential Annex Exemption Claim - Those seeking to claim exemption as a residential annex , ancillary to the main dwelling, must complete this form.

Form 9: Residential Extension Exemption Claim- Those seeking to claim exemption as 'a large extension to an existing dwelling must complete this form

Form 10: Charitable and/or Social Housing Relief Claim – claims for Charitable Development and Affordable Housing. The Council may require supporting information to confirm this claim More information can be found in parts 5 and 6 of this guidance.

Following receipt of a commencement notice by the Council

The Council will issue a CIL 'Demand Notice' - This will set out the amount of CIL payable inclusive of any valid Claims for relief and how and when to pay

After Commencement

3.4 Form 7: Self Build Exemption Claim - Part 2 – Where the Council has approved the submission of Part 1 prior to commencing, the form must then be submitted within 6 months of the completion of the self-build dwelling. Further details on the claim procedure is outlined Part 8 of this guidance

It is the claimant's responsibility to supply the Council with accurate and up-to-date information. The requirement to complete the above forms is set out in nationally prescribed regulations. The Council does not have discretion on this, and failure to supply the relevant forms will result in claims being voided

All relevant forms are available on the Planning Portal at:

https://www.planningportal.co.uk/info/200136/policy_and_legislation/70/commUnity_infrastructure_levy/5

4) CALCULATING THE CHARGEABLE AREA

The formula

4.1 In order to calculate the amount CIL (the 'Chargeable Amount'), the amount of floor space for each chargeable use must be calculated. The CIL Regulations set out in Schedule 1 part 1 of the CIL Regulations the following formula:

$$G_R - K_R - \left(\frac{G_R \times E}{G} \right)$$

where—

G = the gross internal area of the chargeable development;

G_R = the gross internal area of the part of the chargeable development chargeable at rate R;

K_R = the aggregate of the gross internal areas of the following—

- (i) retained parts of in-use buildings; and
- (ii) for other relevant buildings, retained parts where the intended use following completion of the chargeable development is a use that is able to be carried on lawfully and permanently without further planning permission in that part on the day before planning permission first permits the chargeable development;

E = the aggregate of the following—

- (i) the gross internal areas of parts of in-use buildings that are to be demolished before completion of the chargeable development; and
- (ii) for the second and subsequent phases of a phased planning permission, the value E_x (as determined under sub-paragraph (7)), unless E_x is negative, provided that no part of any building may be taken into account under both of paragraphs (i) and (ii) above.

4.2 In essence, the CIL formula apportions the Chargeable Area at the relevant CIL rates, with a proportionate credit for demolished floor space across the proposed uses, while retained floor space is credited against the specific use. For the purpose of the following examples, it is assumed that the development is delivered without 'phases' (which is covered further in Part 11 of this guidance).

Worked Examples

4.3 In order to aid practical interpretation, the following are examples of how the Chargeable Area is calculated:

Example 1 – The development of a new 2 storey house on a cleared site

	KR: Retained in-use buildings (sqm)	E: In-use buildings to be demolished (sqm)	GR: Total GIA of the chargeable development (sqm)
Residential	0	0	300
Shared living	0		0
Retail Warehouse	0		0
Supermarket	0		0
Other	0		0
Total	0		G = 300

Residential Total = $300 - 0 - (300 \times 0 / 300) = 300 \text{ sqm}$

Example 2 – The development of a supermarket with 20 flats on a cleared site

	KR: Retained in-use buildings (sqm)	E: In-use buildings to be demolished (sqm)	GR: Total GIA of the chargeable development (sqm)
Residential	0	0	2000
Shared living	0		0
Warehousing	0		0
Supermarket	0		1500
Other	0		0
Total	0		G = 3500

Supermarket Total = $1500 - 0 - (1500 \times 0 / 3500) = 1500 \text{ sqm}$

Residential Total = $2000 - 0 - (2000 \times 0 / 3500) = 2000 \text{ sqm}$

Example 3 – Demolition of an existing dwelling and construction of a new property

	KR: Retained in-use buildings (sqm)	E: In-use buildings to be demolished (sqm)	GR: Total GIA of the chargeable development (sqm)
Residential	0	200	300
Shared living	0		0
Warehousing	0		0
Supermarket	0		0
Other	0		0
Total	0		G = 300

Residential Total = $300 - 0 - (300 \times 200 / 300) = 100 \text{ sqm}$

Example 4 – Demolition of an existing office building and the construction of a retail warehouse and 2 houses

	KR: Retained in-use buildings (sqm)	E: In-use buildings to be demolished (sqm)	GR: Total GIA of the chargeable development (sqm)
Residential	0	150	400
Shared living	0		0
Warehousing	0		2000
Supermarket	0		0
Other	0		0
Total	0		G = 2400

Warehouse Total = $2000 - 0 - (2000 \times 150 / 2400) = 1875 \text{ sqm}$

Residential Total = $400 - 0 - (400 \times 150 / 2400) = 375 \text{ sqm}$

Example 5 – Conversion and extension of a single storey shop into a two-storey building with 6 flats

	KR: Retained in-use buildings (sqm)	E: In-use buildings to be demolished (sqm)	GR: Total GIA of the chargeable development (sqm)
Residential	0	0	500
Shared living	0		0
Warehousing	0		0
Supermarket	0		0
Other	175		0
Total	175		G = 500

Residential Total = $500 - 175 [100\% \text{ of } 175] - (500 \times 0 / 500) = 325 \text{ sqm}$

Example 6 – Change of use and extension of a 3 storey office building into a retail unit and 9 flats (80% of the retained building will be used for residential, 20% used for retail)

	KR: Retained in-use buildings (sqm)	E: In-use buildings to be demolished (sqm)	GR: Total GIA of the chargeable development (sqm)
Residential	0	0	800
Shared living	0		0
Warehousing	0		0
Supermarket	0		0
Other	700		200
Total	700		G = 1000

Residential Total = $800 - 560 [80\% \text{ of } 700] - (800 \times 0 / 1000) = 240 \text{ sqm}$

Retail Total = $200 - 140 [20\% \text{ of } 700] - (200 \times 0 / 1000) = 60 \text{ sqm}$

Example 7 – Change of use and partial demolition of existing supermarket and construction of an office block

	KR: Retained in-use buildings (sqm)	E: In-use buildings to be demolished (sqm)	GR: Total GIA of the chargeable development (sqm)
Residential	0	200	0
Shared living	0		0
Warehousing	0		0
Supermarket	300		0
Other	0		1000
Total	300		G = 1000

Office Total = $1000 - 300 [100\% \text{ of } 300] - (1000 \times 200 / 1000) = 500 \text{ sqm}$

Example 8 – Change of use and partial demolition of multiple shopping units and construction of a 6 storey office & residential block of 12 flats.
(75% of the retained building will be used residential, 25% used for office)

	KR: Retained in-use buildings (sqm)	E: In-use buildings to be demolished (sqm)	GR: Total GIA of the chargeable development (sqm)
Residential	0	200	1000
Warehousing	0		0
Shared living	0		0
Supermarket	0		0
Other	400		600
Total	400		G = 1600

Residential Total = $1000 - 300$ [75% of 400] – $(1000 \times 200 / 1600) = 575$ sqm

Office Total = $600 - 100$ [25% of 400] – $(600 \times 200 / 1600) = 425$ sqm

5) CHARGEABLE AMOUNT

5.1 The CIL Chargeable amount is based on the floor space calculations for the Chargeable Area (covered in section 4) multiplied by relevant Charging Rate, with the amount indexed. Schedule 1 part 1 of the CIL Regulations the following formula:

$$\frac{R \times A \times I_p}{I_c}$$

where—

A = the deemed net area chargeable at rate R, calculated in accordance with subparagraph (6);

IP = the index figure for the calendar year in which planning permission was granted; and

IC = the index figure for the calendar year in which the charging schedule containing rate R took effect.

Indexation

5.2 The CIL Chargeable Amount calculation incorporates indexation of the CIL rates from the date the year the rates were adopted to year planning permission is awarded.

Worked Examples

5.3 Based on the worked examples of Chargeable Area in section 4 of this guidance, the following Chargeable Amounts would be payable. The index at the date of planning permission is assumed as 340 in these examples

Example 1 – The development of a new 2 storey house on a cleared site

Chargeable Area: Residential = 300 sq.m

London Borough of Bromley CIL Rate		Chargeable Area (sq.m)	Permission Index	Schedule index	Sub total
Residential	£100				
Shared Living	£150	0	£0		
Retail Warehousing	£100	0	£0		
Supermarket /food store	£100	0	£0		
Other	£0	0	£0		
LBB CIL					£30,538

Mayor of London CIL Rate		Chargeable Area (sq.m)	Permission Index	Schedule index	Sub total
All	£60				
Health and Education	£0	0	£0		
MoL CIL					£18,214

Total Chargeable Amount before any claims for relief = £48,752

Example 2 – The development of a supermarket with 20 flats on a cleared site

Chargeable Area: Supermarket = 1500 sq.m, Residential Total = 2000 sq.m

London Borough of Bromley CIL Rate		Chargeable Area (sq.m)	Permission Index	Schedule index	Sub total
Residential	£100				
Shared Living	£150	0	£0		

Retail Warehousing	£100	0			£0
Supermarket /food store	£100	1500			£152,695
Other	£0	0			£0
					LBB CIL
					£356,287

Mayor of London CIL Rate		Chargeable Area (sq.m)	Permission Index	Schedule index	Sub total
All	£60	3500	340	336	£212,500
Health and Education	£0	0			£0
					MoL CIL
					£212,500

Total Chargeable Amount before any claims for relief = £568,787

Example 8 – Change of use and partial demolition of multiple shopping units and construction of a 6 storey office & residential block of 12 flats.

Chargeable Area: Residential Total = 575 sqm, Office Total = = 425 sqm

London Borough of Bromley CIL Rate		Chargeable Area (sq.m)	Permission Index	Schedule index	Sub total
Residential	£100	575	340	334	£58,532
Shared Living	£150	0			£0
Retail Warehousing	£100	0			£0
Supermarket /food store	£100	0			£0
Other	£0	425			£0
					LBB CIL
					£58,532

Mayor of London CIL Rate		x	Chargeable Area (sq.m)	x	Permission Index	÷	Schedule index	=	Sub total
All	£60		1000		340		336		£60,714
Health and Education	£0	0			£0				
						MoL CIL	£60,714		

Total Chargeable Amount before any claims for relief = £119,247

6) RELIEF FOR AFFORDABLE HOUSING

Background

6.1 The CIL Regulations allow for relief for paying CIL on floor space that qualifies for 'Social Housing relief', this being:

- A dwelling is let by a local housing authority
- a private registered provider of social housing
- a dwelling by a person who is not a local housing authority or a private registered provider of social housing

6.2 Social Housing relief applies to Social Rent, Affordable Rent, Reduced Market Rent and Shared Ownership. To qualify for relief, the Affordable Housing unit must meet certain criteria, such as the tenancy arrangement and rent levels – the qualify criteria is set out in Regulation 49. Claims for relief can also include communal floor space under regulation 49C. The Council does not currently accept claims for Discretionary Relief under regulation 49A.

Approach and Formula

6.3 Social housing relief is applied after the CIL Chargeable Amount is calculated, the regulations set out the following formula – which requires the qualifying amount to be determined on the qualifying Chargeable Area. A Form 10: Charitable and/or Social Housing Relief Claim must be submitted prior to commencing the development

$$QR - KQR - \frac{QR \times E}{G}$$

where—

G = the gross internal area of the chargeable development;

QR = the gross internal area of the part of the chargeable development which will comprise the qualifying dwellings or qualifying communal development, and in respect of which, but for social housing relief, CIL would be chargeable at rate R; and

KQR = the aggregate of the gross internal areas of the following—

- (i) relevant retained parts of the in-use buildings; and
- (ii) for other relevant buildings, relevant retained parts where the intended use following completion of the chargeable development is a use that is able to be carried on lawfully and permanently without further planning permission in that part on the day before planning permission first permits the chargeable development.

E = the aggregate of the following—

- (i) the gross internal areas of parts of in-use buildings that are to be demolished before completion of the chargeable development; and
- (ii) for the second and subsequent phases of a phased planning permission, the value E_x (as determined under sub-paragraph (7)), unless E_x is negative, provided that no part of any building may be taken into account under both of paragraphs (i) and (ii) above.

Social Housing Relief: qualifying communal development

6.4 A claim can be made for relief on floor space that will be communal and used by the occupants of the social housing units – the ‘Qualifying Communal Development’ is set out in regulation 49C. It is the amount of communal development which is for the benefit of the occupants of more than one qualifying dwelling. It must be calculated by applying the following formula—

$$\frac{X \times A}{B}$$

where—

X = the gross internal area of the communal development;

A = the gross internal area of the qualifying dwellings to which the communal development relates; and

B = the gross internal area of the qualifying dwellings and the relevant development, provided that the communal development is for the benefit of those dwellings and that relevant development.

(5) In this regulation, “relevant development” means development which is granted permission by the same planning permission as the qualifying dwellings in question, but which does not include the qualifying dwellings or the communal development.

Examples of Calculating Affordable Housing relief

6.5 In order to aid practical interpretation, the following are examples of how the Chargeable Area is calculated

Example 2a – The development of a supermarket with 20 flats on a cleared site, 35% of the flats are to be delivered as affordable (7 units), no communal floor space.

	KQR: Retained in-use buildings (sqm)	E: In-use buildings to be demolished (sqm)	Total GIA of the chargeable development (sqm)	QR: Floor space of Affordable Housing and Communal Development
Residential	0	0	2000	
Of which Affordable Housing	N/A		N/A	700
Of which Communal development	N/A		N/A	0
Warehousing	0		0	N/A
Supermarket	0		1500	N/A
Other	0		0	N/A
Total	0		G = 3500	GR = 700

Total qualifying Affordable Housing floor space = $700 - 0 - (700 \times 0 / 3500) =$
700 sqm

London Borough of Bromley CIL Rate		x	Total Affordable Housing floor space (sq.m)	x	Permission Index	÷	Schedule index	=	Sub total
Residential	£100		700		340		334		£71,257

Mayor of London CIL Rate		x	Total Affordable Housing floor space (sq.m)	x	Permission Index	÷	Schedule index	=	Sub total
All	£60		700		340		336		£42,500

Total Amount of relief = £113,757

Example 2b - The development of a supermarket with 20 flats on a cleared site, 20% of the flats are to be delivered as Affordable Housing (4 units = 380 sq.m). 100 sq.m of communal development,

	KQR: Retained in-use buildings (sqm)	E: In-use buildings to be demolished (sqm)	Total GIA of the chargeable development (sqm)	QR: Floor space of Affordable Housing and Communal Development
Residential	0	0	2000	
Of which Affordable Housing	N/A		N/A	380
Of which Communal development	N/A		N/A	100
Warehousing	0		0	N/A
Supermarket	0		1500	N/A
Other	0		0	N/A
Total	0		G = 3500	GR = 480

Total qualifying Affordable Housing floor space = 480 – 0 – (480 x 0 / 3500) =

480 sqm

London Borough of Bromley CIL Rate		x	Total Affordable Housing floor space (sq.m)	x	Permission Index	÷	Schedule index	=	Sub total
Residential	£100		480		340		334		£48,862

Mayor of London CIL Rate		x	Total Affordable Housing floor space (sq.m)	x	Permission Index	÷	Schedule index	=	Sub total
All	£60		480		340		336		£29,142

Total Amount of relief = £78,004

Example 8a – Change of use and partial demolition of multiple shopping units and construction of a 6 storey office & residential block of 12 flats, 25% of the flats are to be delivered as Affordable Housing (3 units) , no communal development, Affordable units will occupy 100 sq,m of the retained floor space. Not that the formulae will apportion relief based on the credit already given for demolition and for the amount of retained floor space .

	KQR: <i>Retained in-use buildings (sqm)</i>	E: <i>In-use buildings to be demolished (sqm)</i>	Total GIA of the chargeable development (sqm)	QR: <i>Floor space of Affordable Housing and Communal Development</i>
Residential	0	200	1000	
<i>Of which Affordable Housing</i>	N/A		N/A	250
<i>Of which Communal development</i>	N/A		N/A	0
Warehousing	0		0	0
Supermarket	0		0	0
Other	400		600	0
Total	400		G = 1600	GR = 250

Total qualifying Affordable Housing floor space = 250– 100(floor space in the retained building that would have been charged CIL but for social housing relief) – (250 x 200 / 1600) = **118.75 sq.m**

London Borough of Bromley CIL Rate		x	Total Affordable Housing floor space (sq.m)	x	Permission Index	÷	Schedule index	=	Sub total
Residential	£100		118.75		340		334		£12,088

Mayor of London CIL Rate		x	Total Affordable Housing floor space (sq.m)	x	Permission Index	÷	Schedule index	=	Sub total
All	£60		118.75		340		336		£7,209

Total Amount of relief = £19,297

Disqualify events

6.6 Claims for relief will expire if a ‘disqualifying event occurs within the ‘clawback period’ – which currently is seven years beginning with the date on which the qualifying dwelling is first let, A disqualify event will mean the amount of relief becomes chargeable, this would be any change in relation to a claim to the extent that it ceases to be a affordable housing, including the sale and disposal of the unit (however this may not apply if the proceeds are spent on further affordable housing).

7) CHARITABLE RELIEF

Background

7.1 Regulation 43 allows Charitable Institutions to claim relief for their proportion of liability – the key criteria is:

- The interested party is a charitable institution
- The chargeable development will be used wholly or mainly for charitable purposes
- Relief will only apply to the part of the development used for a charitable purpose
- Relief will not apply if the material interest is jointly with another party that is not a charitable institution

7.2 A claim for charitable relief must be submitted on Form 10: Charitable and/or Social Housing Relief Claim prior to commencing the development – where there is more than one material interest this must be supported with an apportionment assessment. Failure to supply this information before commencing the development can void the claim.

7.3 The Council will then notify the claimant in writing of whether it will award the relief –and the amount of relief that will be applied. The Council does not offer discretionary charitable relief under regulation 44

Disqualifying events

7.4 A successful claim for relief can expire and the awarded amount become payable if:

- owner of a relevant interest ceases to be eligible for charitable relief
- the whole of a relevant interest is transferred to a person who is not eligible for charitable
- Where the relevant interest is a lease and is terminated before the end of its term

The claimant must notify the council in writing if any of these events occur (within 14 of the event occurring).

8) SELF-BUILD, RESIDENTIAL ANNEXES AND EXTENSIONS

Self-Build – Background and formula

8.1 Exemption for self-build housing can be awarded under regulation 54A for parts of a chargeable development with self-build housing or self-build communal development.

Self-build – Requirements Prior to Commencing Development

8.2 In order to claim an exemption in relation to self-build (including communal development), the claimant must assume liability to pay CIL in respect of that development (Form 2) and submit Form 7: Self Build Exemption Claim - Part 1 – prior to commencing the development. The claimant must confirm that the new dwelling will be their sole or main residence. Where there is more than one liable party, the claimant must identify the part of the development that the claim relates to.

8.3 The Council will then confirm in writing whether it considers that the proposal benefits from relief.

Self-build – requirements - Completion of Development

8.4 Within six months of the date of the compliance certificate (a Building Regulations Completion Certificate) the claimant must submit the Form 7: Self Build Exemption Claim - Part 2 to the council. The form must be supplemented with the following evidence documents:

- Title deeds of the property to which the exemption relates
- A Council Tax bill or certificate
- Utility Bill, Bank Statement or Local electoral roll registration

- Proof of a specialist Self Build or Custom Build Warranty for your development / Proof of an approved Self Build or Custom Build Mortgage# from a bank or building society for your development.

Self-Build – Disqualify events

8.5 An award for self-build relief can expire and result in the chargeable amount becoming payable if the required forms are not submitted or where the building ceases to be the main residence or is sold within the clawback period – this being three years beginning with the date of the compliance certificate relating to the relevant dwelling,

Self Build – Communal development

8.6 Where the development with self-build housing also includes communal floor space that is for the benefit of self-build units, a proportionate claim can also be made by the parties who are liability for any CIL attached to the communal floor space. This is calculated under the following formula

$$\frac{X \times A}{B}$$

where—

X = the gross internal area of the self-build communal development;

A = the gross internal area of the dwelling in relation to which P is claiming the exemption for self-build housing; and

B = the gross internal area of the self-build housing and relevant development (development which is authorised by the same planning permission as the self-build housing in question, but which does not include the self-build housing or the self-build communal development) provided that the self-build communal development is for the benefit of that housing and that relevant development.

Residential Annexes and Extensions - Background

8.7 Extensions to existing homes that exceed 100 sq metres are liable to pay CIL, however the owner is able to claim exemption from paying should they occupy the existing dwelling as their sole or main residence. To qualify the residential Annex must be within the curtilage of the main dwelling, while residential extension must not involve the creation of a new dwelling.

Residential Annexes and Extensions – Approach

8.8 Prior to commencing development, the claimant must submit either the 'Form 8: Residential Annex Exemption Claim' or the Form 9: Residential Extension Exemption Claim. The Council will confirm in writing any exemption as soon as practicably possible. Claims for relief can be voided if the correct information is not supplied to the Council.

Residential Annexes and Extensions – Disqualifying Event

8.9 A valid Claim can also be withdrawn where a disqualify event occurs. The claimant must notify the collecting authority in writing of the disqualifying event before the end of the period of 14 days beginning with the day on which the disqualifying event occurs.;

(a) the use of the main dwelling for any purpose other than as a single dwelling;

(b) the letting of the residential annex; or

(c) the sale of the main dwelling or the residential annex unless they are sold at the same time to the same person. prior to commencement.

9) DISCRETIONARY RELIEF, PAYMENT IN KIND AND PAYMENT DEFERRAL

Discretionary Reliefs

9.1 The Council does not offer Exceptional Circumstances Relief or any other Discretionary Relief

Payment in Kind

9.2 In general the Council does not accept payment in kind. Should a developer wish the council to consider allowing payment in kind via the provision of land or infrastructure, this must be discussed as part of the Planning Application.

Covid-19 / Coronavirus

9.3 Amendments to the CIL Regulations (22nd July 2020) permit under regulation 72A for CIL Payments (and any surcharges) to be deferred for no more than six months beginning with the day the council receives the request in writing. This process is available until 31 July 2021, the claimant must satisfy the following:

- The person / company has an annual turnover not exceeding £45,000,000,
- They have been served with a demand notice by a collecting authority
- They can confirm they are experiencing financial difficulties for reasons connected to the effects of coronavirus resulting in difficulty paying that amount

9.4 Please note that the Council is only the collecting authority for the Mayor of London CIL, who will need to determine whether they willing to grant deferral for their charge Should the council award the deferral, a revised

demand notice will be issued. At present an agreement has been made with the MoL to award deferrals for up to three months for each submitted claim.

Covid-19 / Coronavirus - Deferral Process and Requirements

9.5 A deferral request must be submitted to the Council no more than 14 days before the CIL payment is due. The council will write to the claimant confirming its decision as soon as practicable, and in any event before the end of the period of 40 days beginning with the day the Council receives such a request. The Council is permitted to request information to support a deferral claim – initially this should be a supporting letter from (or on behalf of) the claimant to be sent to the Council at LCIL@bromley.gov.uk or registered post to;

CIL Collection Team
Planning Strategy Team
London Borough of Bromley
Civic Centre
Stockwell Close
Bromley
BR1 3UH

9.6 The submission must include:

- A formal declaration from the liable party (where a company, on company headed paper with the details of the role of the employee) stipulating the circumstance for which the claim relates
- A date onto which the liable party proposes to make payment (no more than 90 days from the date of the request is made).

In some circumstances the Council may require additional evidence to support the claim, such as returns to Companies House or clarification of company details should the claim be made by a subsidiary or separate delivery vehicle.

10) AMENDING PLANNING APPLICATIONS

Background

10.1 Where a planning permission is amended prior to commencing development, the Council will issue a revised liability notice reflecting the new floor space. However, where development commences, a change to the permission affecting the amount of CIL chargeable can only be addressed through the following mechanisms

Regulation 74A – Abatement for Section 73 applications (Minor Material Amendment)

10.2 Where CIL has been paid and then an amended planning application is granted consent under Section 74 of the Town and country Planning Act 1990, the Council will issue a revised liability notice to reflect the new floor space. The revised liability notice will become the enforceable liability, and the developer can request that the CIL paid on the previous liability is credited towards the new liability.

Regulation 74B - Abatement: implementation of a different planning permission

10.3 Where a new application is proposed on the same site to replace an existing application that has been commenced, the developer must notify the Council that the previous application will no longer be carried out and the new permission now takes effect. Whoever such a claim must be made prior to the new permission being commenced. The Council can then credit the previous payment against the new permission, however it cannot be credited against any buildings that have been completed. Where demolition has already taken place, the demolished buildings will be credited against the new permission as per the calculation of liability in part 4 of this guidance. Where the amount previously paid exceeds the new liability, the difference is not treated as an overpayment and is not refundable.

11) PAYMENT OF CIL

General

11.1 Upon receipt of a Commencement Notice or a Notice of chargeable development (see part 3 of this guidance) or where council determines a development has been commenced, a demand notice will be issued to the CIL liable parties. The regulations require CIL to be paid within 60 days of the development being commenced, however should the development adhere to all the notification requirements, payment is permitted to be paid in instalments.

Instalments

11.2 The Council is proposing to adopt the Instalments policy currently operated by the Mayor of London, this being:

Amount of CIL liability	Number of instalment payments	Amount or proportion of CIL payable in any instalment/time at which payments are due
£100,000 or less	no instalments	total amount payable within 60 days of commencement of development
£100,001 or more	two	- the greater of £100,000 or half the value of the total amount payable within 60 days of commencement of development - the remainder within 240 days of commencement of development

Payment in Phases

11.3 CIL is permitted to be paid per 'phase' of development. however this is only if the planning permission is set out to be delivered in phases. This should be considered as part of discussions on the planning application

Making Payments to the Council

11.4 The CIL demand notice will set out the particulars on how to make a CIL payment to the Council. The demand notice will collect both the London Borough of Bromley's CIL and the Mayor of London CIL.

12) SPENDING CIL – BOROUGH-WIDE

12.1 The CIL regulations require CIL to be spent towards “the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area”. This does not include the provision of Affordable Housing.

12.2 The Council will formulate its approach to spending CIL once it begins to receive CIL receipts, further commentary will be provided as part of the Annual ‘Infrastructure Funding Statement’ (see part 14 of this guidance)

13) SPENDING LOCAL PROPORTION OF CIL

13.1 The CIL regulations directs the council to use CIL raised in the local 'neighbourhood' 'towards

(a) the provision, improvement, replacement, operation or maintenance of infrastructure; or

(b) anything else that is concerned with addressing the demands that development places on

13.2 The definition of 'neighbourhood' is not defined in the regulations, however National Planning Policy Guidance directs the council to engage with the communities where development has taken place and agree with them how best to spend the neighbourhood funding. While no set amount is directed, it is suggested that this follows the requirement under the regulations to pass on CIL receipts to Parish Councils under regulation 59A, this being 15% of the receipts raised in the relevant area.

13.3 The Council will develop the proposal for 'neighbourhood' funding – at present this is envisaged to be at ward level geography.

14) REPORTING AND MONITORING

14.1 The Council is required to produce an annual 'Infrastructure Funding Statement' under Schedule 2 of the CIL regulations, setting out the amount of CIL and S106 received, spent and what it proposes to use funds towards.

14.2 As the Council does not yet collect its own CIL, it reports S106 data annually to the Executive, Resources and Contracts Policy Development and Scrutiny Committee – the last report being 3 July 2019

<https://cds.bromley.gov.uk/ieListMeetings.aspx?Committeeld=116>

14.3 Once CIL is adopted an annual Infrastructure Funding Statement will be produced as par of the Annual Monitoring reports, available at:

https://www.bromley.gov.uk/downloads/download/73/annual_monitoring_reports_and_five_year_housing_supply

Community Infrastructure Levy Draft Charging Schedule (DCS)

Background Evidence

Section 106 Monies Raised and Affordable Housing Provision Update Paper

September 2020
London Borough of Bromley
Planning Strategy and Projects

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THE LONDON BOROUGH
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Introduction

This document has been prepared in accordance with the DCLG Community Infrastructure Levy (CIL) Guidance June 2014¹. Paragraph 18 on the preparation of evidence to support a levy charge states that “as background evidence, the charging authority should also provide information about the amount of funding collected in recent years through section 106 (s106) agreements. This should include information on the extent to which their affordable housing and other targets have been met.” In line with guidance, this paper sets out the amount of funding collected in recent years, and the Council’s record of achieving affordable housing over the last five years. Further information relating to s106 agreements can be found within Bromley’s Authority Monitoring Reports².

Section 106 Financial Obligations

The tables below provide a record of s106 agreements receipts (excluding any housing monies) over the last five financial years. Further guidance can be found in Bromley’s Planning Obligations Supplementary Planning Document (SPD) (2010)³.

Table 1: Value of Planning Obligation Receipts between 01/04/2015-31/03/2016

Planning Ref	Site Address	Value of s106 Agreement	Payment Made (£)
15/05003	Orpington Police Station	Public Realm contribution £81.513k & £2k for disabled parking	83,512.50
14/02667	Kingswood House	£21k parking restriction contribution	21,000.00
11/02140	Kent County Cricket Ground	£300k contribution towards sports	300,000.00
11/02100	Land at rear of 86-94 High St Beckenham	Education contribution £182.389k	182,389.38
12/03385	Sheila Stead House	Education contribution £168.738k & Health contribution £35.953k	204,690.54
12/02658	Day Centre, Chipperfield Rd	Education contribution £335.511k	335,511.48
12/03606	Sundridge Park Management Centre Ltd (instalment 1 of 2)	Education contribution £50k	25,000.00
13/01670	1 Chilham Way	Education contribution £283.047k & Health contribution £52.315k	335,361.92
13/01872	Oakfield Centre	Education contribution £211.618k & Health contribution £37.742k	249,359.82
12/00304	76 High St Orpington	Health contribution of £44k	44,000.00
12/00102	Graham Chiesman House	Health contribution of £119.04k	119,040.00
07/03632	Land at south side Ringers Road	Health contribution of £42k	42,000.00
14/04452	The Walnuts	Health contribution £24.5k	24,500.00
Total for 2015/16			1,966,365.64

¹ Community Infrastructure Levy Guidance - <https://www.gov.uk/guidance/community-infrastructure-levy>

² Annual Monitoring Reports -

http://www.bromley.gov.uk/downloads/download/73/annual_monitoring_reports_and_five_year_housing_s

³ Bromley’s Planning Obligations Supplementary Planning Document -

http://www.bromley.gov.uk/downloads/file/199/adopted_spd_on_planning_obligations

Table 2: Value of Planning Obligation Receipts between 01/04/2016-31/03/2017

Planning Ref	Site Address	Value of s106 Agreement	Payment Made (£)
03/02319	Blue Circle Sports Ground	£80k bus stop contributions & £25k towards Oakley Road junction	105,000.00
13/03889	The Rising Sun	Highways contribution £22.232k, Education contribution £44.36k & Health contribution £16.096k	82,687.50
15/00909	Harris Academy, Beckenham	Towards the cost of resurfacing Manor Way Beckenham £40k	40,000.00
12/00976	GlaxoSmithKline	Road Safety improvements £10k	10,000.00
15/00696	Broadway House	£2.5k for a car club parking space	2,500.00
16/01091	45 Ancaster Rd, Beckenham	£0.5765k to be paid for tree removal costs	576.67
12/03606	Sundridge Park Management Centre Ltd (instalment 2 of 2)	Education contribution £50k	25,000.00
14/01873	Isard House, Glebe House Drive	Education contribution £112,881.95 & Health contribution £27.93k	140,811.95
15/01616	Summit House, Glebe Way	Education contribution £154.432k & Health contribution £57.996k	212,427.62
Total for 2016/17			619,003.74

Table 3: Value of Planning Obligation Receipts between 01/04/2017-31/03/2018

Planning Ref	Site Address	Value of s106 Agreement	Payment Made (£)
15/04941	Bassetts Day Care Centre	Highways contribution £5k, Car Club contribution £2.5k, Education contribution £773.4k & Health contribution £188.3k	969,145.76
16/02441	12 Elmfield Road, Bromley	Transport contribution £5k	5,000.00
15/04909	18 Elmfield Road, Bromley	Public realm contribution £152k	76,030.75
15/05003 14/03316	Orpington Police Station	Public realm contribution £326.05k, CPZ contribution £12.74k & Education contribution £80k	260,952.81*
	Land Adj Main Road, Biggin Hill	Additional museum contribution £85.545k	85,545.35
14/04810	4 Oaklands Road, Bromley	Education contribution £14.293k & Health contribution £10.5k	24,787.05
09/01664	Dylon International Ltd, Worsley Bridge Road	Education contribution £195.117k & Health contribution £76.97k	272,087.49
11/03865	Westmoreland Car Park, Simpsons Road	Education contribution £504.046k & Health contribution £197k	701,045.51
Total for 2017/18			2,394,594.72

Table 4: Value of Planning Obligation Receipts between 01/04/2018-31/03/2019

Planning Ref	Site Address	Value of s106 Agreement	Payment Made (£)
	Former Church Depot Hill Site	Highways contribution £3k, Local employment contribution £3k, Education contribution £120k & Health contribution £38.015k	164,050.09
13/03345	HG Wells Centre	Highways contribution £2.5k, Education contribution £140.635k & Health contribution £52.364k	195,499.07
16/02117	Orchard Lodge, 107 William Booth Road	Traffic surveys £25k, Community contribution £30k, Education contribution £875.143k & Health contribution £142.254k	702,121.44
15/04909	18 Elmfield Road, Bromley	Public realm contribution £152k	76,030.75
15/05003	Orpington Police Station	Public realm contribution £326.05k, CPZ contribution £12.74k & Education contribution £80k	161,758.30
12/00976	GlaxoSmithKline	Employment contribution £4m	2,000,000.00
15/01852	Oxford House	CPZ contribution £3k	3,000.00
	Land Adj to Main Road, Biggin Hill	Additional museum contribution £39,238k, Health contribution £29.054k & Education contribution £131.885k	200,136.48
14/01637	57 Albemarle Road	Education contribution £80.1k & Health contribution £18.67k	98,769.95
14/04199	165 Masons Hill, Bromley	Education contribution £154.432k & Health contribution £57.996k	212,427.62
14/03991	The Haven	Education contribution £432.916k & Health contribution £72.68k	505,595.63
09/01664	Dylon International Ltd, Worsley Bridge Road	Health contribution £40k	40,000.00
15/05237	Queen Mary House	Health contribution £55.34k	55,340.00
15/02007	1 Church Road	Health contribution £31.296k	31,296.00
Total for 2018/19			4,486,025.33

Table 5: Value of Planning Obligation Receipts between 01/04/2019-31/03/2020

Planning Ref	Site Address	Value of s106 Agreement	Payment Made (£)
330	GlaxoSmithKline	Employment Contribution £1.5m	1,500,000.00
382	Orchard Lodge	Education Contribution £512k, Healthcare Contribution 166381.89	678,170.41
384	9 London Road	Highways £3k	3,000.00
395	South Suburban Co-op Society	Highways £20K	20,000.00
411	North Orpington Pumping Station	Highways £2K, Ed contribution £231.680K, Health contribution £60.2K	293,880.22

416	Maybrey Business Park	Highways £4K, Carbon Offset £212.04K, Monitoring £2k, Education £532.938K, Health £166.96K	917,938.59
419	Parker House	carbon Offsetting - £8.5k	8,514.00
425	St Hugh's Playing Fields	Carbon Offsetting - £38.67k	38,672.03
Total for 2019/20			3,460,175.25

Total for all planning obligations paid between 01/04/2015-31/03/2020:	£12,926,164.68
Average amount of contributions paid from section 106 agreements over five years:	£2,585,232.936

The total s106 income on an annual basis varies, and the average is approximately £2.5m per annum.

Affordable Housing Provision

Information on affordable housing provision in Table 4 has been taken from the Greater London Authority's London Development Database (LDD) which informs the Council's Authority Monitoring Reports. Data for 2019/20 is still being finalised.

Affordable housing provision is often the key to Section 106 in terms of planning obligations, on a site by site basis, and overall value. Table 4 below gives the net affordable housing delivery in the Borough over the last five years based on LDD data.

The Unitary Development Plan (2006), and the Council's Planning Obligations SPD, set out the policy requirements for affordable housing. In developments of 11 or more units, developers are required to include a minimum of 35% affordable housing.

Table 4: Net Affordable Housing Delivery in Bromley⁴

Year	Total Net Unit Completion	Net Affordable Housing Completions	Affordable % of Total Units	London Plan Target Total	Total Dwelling Completions as % of Target
2014/2015	430	-62	-14%	500	86%
2015/2016	769	10	1%	641	119%
2016/2017	922	45	5%	641	143%
2017/2018	588	7	1%	641	91%
2018/2019	709	130	18%	641	111%
2019/2020*	TBC	109	TBC	641	TBC
Total	3418*	130*	4%*	3064*	112%*
Average per Annum	684	26	4%	n/a	n/a
UDP Policy Requirement:			35%		

* Some data for 2019/20 still pending - figures for 2019/20 not included in totals

⁴ London Development Database (LDD)

The affordable housing delivery performance over the last five years of 4% against the total number of completions is significantly below where the Council would expect to be in terms of the policy objectives contained in the Unitary Development Plan Policy H2 - Affordable Housing, from major development schemes of 11 or more units. However, it should be noted that during 2012/13 to 2019/20 only 6% of development proposals were above the 10 unit threshold.

Table 5: GLA Net Affordable Housing Starts on Site and Completions for Bromley (December 2019)

Year	Net Affordable Housing Completions	Tenure Affordable Rent/Social Rent	Tenure Intermediate
2013/2014	54	33	21
2014/2015	204	139	65
2015/2016	86	73	13
2016/2017	74	38	36
2017/2018	88	4	84
2018/2019	171	41	130
2019/2020	109*	14*	52*
Total	677	328	349

* Due to changes in implementing the GLA's project management system tenure information for some schemes within GLA programmes is not available at the time the housing statistics are reported = 43 units. Figures for 2019/20 not included in totals

The GLA have published additional data on affordable housing starts and completions for housing programmes that they are responsible for from April 2012. This data has not been extracted from the LDD. The data sets out annually the number of starts and completions by borough for units providing Affordable Rent, Social Rent, Intermediate and London Living Rent/ Shared Ownership units. The data source is entitled 'GLA Housing Starts on Site and Completions' and an extract of the completion data is attached at Table 5. The data included only relates to affordable units and records a higher number of affordable units being delivered over the five year period. Some of the potential reasons for this are set out below.

The LDD includes data about schemes in the Borough where planning permission was granted based on securing affordable housing by way of a section 106 obligation, and identifies schemes which indicate they are to deliver 100% affordable housing on-site through the planning process. It is based on the information available to the Council on affordable housing provision at the grant of planning permission.

Units recorded as being market units, at the point of granting permission, could later be acquired by registered providers and built out as affordable units. The change of tenure would not be recorded in the LDD. In addition, the GLA data might include previously completed market units acquired by registered providers for the GLA housing programme that would not need planning consent for any form of development. This information would also not be recorded by the LDD. This could help account for the differences between the two sets of data.

Total dwelling completions are above the London Plan annual dwelling delivery targets. The

current London Plan target is made up of 6,413 conventional supply units over the ten year period 2015/16 – 2024/25. The New London Plan target is made up of 7740 units over the period 2019/20 – 2028/29.

Table 6 below provides a breakdown of the number of gross affordable homes built by type over the last five years, taking into account the planning policy requirement for affordable housing to comprise by tenure 70% social/affordable rented and 30% shared ownership (Unitary Development Plan Policy H2) and 60% social/affordable rented and 40% shared ownership (London Plan Policy 3.11).

Table 6: Number of Gross Affordable Homes Built, by Type⁵

Year	Number Units Built	Affordable/Social Rented		Intermediate	
		Number	%	Number	%
2014/2015	51	28	55	23	45
2015/2016	20	7	35	13	65
2016/2017	91	50	55	41	44
2017/2018	7	0	0	7	100
2018/2019	122	65	53	57	47
2019/2020	109*	14*	21	52*	79
Total	291	150	52	141	48
5 Year Average	58	30	52	28	48
		UDP Policy Requirement:		70%	30%
		London Plan Policy Requirement:		60%	40%

* Due to changes in implementing the GLA's project management system tenure information for some schemes within GLA programmes is not available at the time the housing statistics are reported = 43 units. Figures for 2019/20 not included in totals

Table 7 sets out the percentage of affordable housing (AH) completions in private developments over the last five years.

Table 7: Affordable Housing (AH) Completions in Private Developments⁶

Year	Completed Schemes	Net Total Number of Homes	Total AH Units	Total AH Units (10+ Schemes)	% of Affordable Homes
2014/2015	7	509	133	114	26%
2015/2016	2	1111	186	186	16%
2016/2017	5	930	90	78	10%
2017/2018	2	573	13	12	2%
2018/2019	0	588	0	0	0%
2019/2020*	TBC	TBC	TBC	TBC	TBC
Totals	22	3711	497	463	14%

* Data pending, due before end of 2020, figures for 2019/20 not included in totals

⁵ London Development Database (LDD)

⁶ London Development Database (LDD)

Agenda Item 2

Report No.
FSD200076

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: LEADER

Date: October 2020

Decision Type: Non-Urgent Executive Key

Title: ALLOCATION OF GRANT FUNDING RELATING TO COVID-19

Contact Officer: Peter Turner, Director of Finance
Tel: 020 8313 4668 E-mail: peter.turner@bromley.gov.uk
Mark Bowen, Director of Corporate Services
Tel: 020 8313 4461 E-mail: mark.bowen@bromley.gov.uk

Chief Officer: Director of Finance
Director of Corporate Services

Ward: (All Wards);

1. Reason for report

- 1.1 This report seeks the Leader's agreement to release the 'ring fenced' funding for Next Steps Accommodation Programme, second tranche Infection Control and Emergency Assistance. The report also seeks delegation for approval of any further tranche or new grant funding relating to Covid-19.
-

2. RECOMMENDATION(S)

- 2.1 Leader is requested to approve the utilisation of
- (a) Next Steps Accommodation Programme Funding of £391k;
 - (b) The second tranche infection control funding of an estimated £1,816k (final allocation awaited);
 - (c) Emergency Assistance Grant of £279k.
- 2.2 Leader is requested to agree that the utilisation of any further funding made available to deal with the Covid-19 situation is approved by the respective Chief Officer, in consultation with the respective Portfolio Holder, Leader and Chairman of ER&C PDS Committee.
- 2.3 Leader to note that the outcome of such decisions will be included in future budget monitoring reports to the Executive.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Detailed in Appendices.
-

Corporate Policy

1. Policy Status: The proposals reflect the utilisation of additional funding available to deal with the current Covid-19 situation
 2. BBB Priority: The proposals meet the BBB priorities.
-

Financial

1. Cost of proposal: One off costs of £2.486m (may change depending on final allocation of Infection Control Grant)
 2. Ongoing costs: No ongoing costs arising from the proposals in this report. However, there would be the longer term financial impact of the 'New Normal' which will need to be reflected in the Council's medium term financial strategy.
 3. Budget head/performance centre: Various budgets heads
 4. Total current budget for this head: Mainly represents new spend matched to grant funding – not included in existing budget agreed by Executive in February 2020
 5. Source of funding: Government Grant
-

Personnel

1. Number of staff (current and additional): Details included in Appendices
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Statutory Requirement Non-Statutory - Government Guidance None: Further Details
 2. Call-in: Applicable Not Applicable: Further Details
-

Procurement

1. Summary of Procurement Implications:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Boroughwide
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 The budget monitoring report 2020/21 to the Leader on 1st July 2020 provided an update on the potential costs of the Covid-19 situation and the grant funding available. A further detailed update will be reported to the meeting of the Leader/Executive on 25th November 2020. The Council continues to seek additional funding from Government to meet the net cost of dealing with Covid-19 to reduce the impact on council tax payers.
- 3.2 This report seeks Members agreement to release the following 'ring fenced' funding:
- Next Step Accommodation Programme (£391k)
 - Infection Control – second tranche of funding (estimated £1,816k)
 - Emergency Assistance Grant (£279k)
- 3.3 The costs detailed in the Appendices will be fully met from the Government Grants.
- 3.4 Full details of the requested utilisation of the funding, provided by Directors, are detailed in Appendices 1 to 3.
- 3.5 There are further funding that will shortly be provided by Government relating to business support during lockdown and financial support to individuals who meet specified criteria who are required to self-isolate, following a NHS assessment. It is not possible to estimate the overall costs, at this stage, although the costs are expected to be matched by equivalent grant funding from Government.
- 3.6 Given the need to take urgent action to address the Covid-19 situation as it continues Members are requested to agree that the utilisation of any further funding allocated by Government to deal with the Covid-19 situation, is delegated to be approved by the respective Chief Officer, in consultation with the respective Portfolio Holder, Leader and Chairman of ER&C PDS Committee. This will help ensure that the monies can be allocated to meet any urgent need to help deal with the impact of the Covid-19 situation. The outcome of such decisions will be included in future budget monitoring reports to the Executive.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The Details are provided in the Appendices.

5. POLICY IMPLICATIONS

- 5.1 Details are provided in the Appendices.

6. FINANCIAL IMPLICATIONS

- 6.1 The proposals detailed in this report as fully funded by the individual Government Grants. Full details are provided in the Appendices.

7. PERSONNEL IMPLICATIONS

- 7.1 Details are provided in the Appendices. Where posts are identified they are recruited on a temporary basis to reflect the period of funding available.

8. LEGAL IMPLICATIONS

8.1 Details are provided in the Appendices.

9. PROCUREMENT IMPLICATIONS

9.1 Details are provided in the Appendices.

Non-Applicable Sections:	[List non-applicable sections here]
Background Documents: (Access via Contact Officer)	[Title of document and date]

NEXT STEPS ACCOMMODATION PROGRAMME

1. INTRODUCTION

- 1.1 In March 2020 the Government instructed local authorities, via the Everyone In Initiative, to immediately provide emergency accommodation for all known rough sleepers and anyone at risk of rough sleeping in order to support them as the Covid-19 pandemic took hold. Across London more than 5000 households were placed into accommodation; much of which was short term or commercial hotels. Bromley provided accommodation for approximately 70 households, the majority of whom whilst being able to access advice and support would not have been able to access an offer of accommodation via the local authority.

2. RECOMMENDATION

- 2.1 It is recommended that:

- The sum of £391k be drawn down from the 2020/21 Central Contingency to implement the Next Steps Accommodation Programme

3. COMMENTARY

- 3.1 The Next Steps Accommodation Programme (NSAP) was launched on the 18th of July 2020. This programme gave local authorities the opportunity to bid for financial resources in order to ensure that, of those individuals picked up during Everyone In as few as possible returned to the streets once their emergency accommodation ceased to be available. It included separate funds for: (1) shorter-term and interim accommodation, reconnections and immediate support into sustainable move-on options such as the private rented sector; and (2) longer-term move on accommodation, including capital for acquisitions, refurbishments and new build, and an attached long-term revenue stream to ensure people are supported in their new tenancies.
- 3.2 Bromley has assessed all those that were placed into emergency accommodation in order to determine their individual support needs and identify move on pathways for them. Whilst the majority have now been moved out of commercial hotels, with plans in place for those remaining, the accommodation being utilised is predominately secured on a nightly paid, temporary basis and is therefore not suitable as a settled solution. This has put an additional and unexpected burden upon housing services and budgets and is in addition to other pressures exacerbated by the Covid-19 pandemic such as job losses, increased rent arrears and a rise in domestic violence and parental evictions.
- 3.3 The local authority bid for funding via NSAP and was awarded the following:

	Intervention	£
1	TA costs from 1st July	£146,000
2	PRS incentives for 55 individuals @£2k each	£110,000
3	1 x PRS Officer 12 month post	£50,000
4	2 x Floating Support officer posts 6 month posts	£35,000

5	Supported Housing Placements Budget 12 placements	£36,500
6	Winter Fund for spot placements	£13,750
	Total allocated	£391,250

3.4 In addition to this, as previously reported, the local authority successfully bid upon and received Rough Sleeper Initiative (RSI) funding to support the establishment or enhancement of coordinated services, for rough sleepers or those at risk of sleeping rough in the local area in order to engage and support rough sleepers. Whilst some of the work had begun the main body of services were due to mobilise in March and April 2020. However, as a result of the Covid-19 pandemic the funds had to be re-profiled in order to meet the changes to service needs particularly as the Everyone In initiative accelerated engagement with this cohort. This was discussed and revised in agreement with the MHCLG and we would request that these funds are also drawn down to be utilised for the purposes outlined. The funding award was as follows:

	Intervention	£
1	1 x Complex Needs Navigator	£33,654
2	Personalisation budget: provision of essential items / ID / bedding / travel warrants etc	£5,000
3	First Stage Accommodation response	£35,000
4	PRS access and incentives	£30,000
	Total Allocated	£103,654

3.5 The Homelessness code of guidance was amended to reflect the impact of the coronavirus pandemic and this has broadened the scope for those that the local authority must assist. Without the funding that has been awarded the local authority would be required to make available accommodation through the existing homelessness budgets. This funding has been provided in order to assist the local authority to manage the needs of the additional households who have been affected during this period. Whilst the funding should be sufficient to secure alternative accommodation it must be noted that the needs of some of this cohort are complex and some will require specialist provision in order to prevent a return to rough sleeping. It must also be highlighted that across the Country local authorities are assisting an increased number of households, in London alone this number exceeds 5,000 individuals, and there will be increased demand placed on an already competitive housing market, particularly stretching capacity of affordable accommodation. Therefore there is the risk that these household will experience lengthy stays in nightly paid accommodation which poses a financial risk to the Council.

3.6 In order to proactively tackle this the Housing Team are working closely with contacts in the private sector in order to facilitate multiple units of accommodation from individual landlords in order to achieve savings. Officers with specialist money management and support experience are providing additional assistance to those that are able to secure accommodation independently. We are also working proactively to try and minimise the impact of any second

wave via our Complex Needs Navigator who is working directly with partner agencies such as Thamesreach to identify any new flow coming to the streets as well as through joint working with local churches and charities in order to prevent households from becoming homeless in the first instance.

- 3.7 However, as a second wave looks likely the local authority will continue to work closely with advisors at the MHCLG and would request access to additional funding that may be made available to meet the needs of those effected by the coronavirus pandemic.

4. PROCUREMENT IMPLICATIONS

- 4.1 Any procurement implications arising from the recommendations in this report will be managed in accordance with the Public Contracts Regulations 2015 and the Council’s Contract Procedure Rules where necessary.

5. FINANCIAL IMPLICATIONS

- 5.1 The proposed allocation of the £391k Next Steps Accommodation Programme funding is set out in the table below:

	£'000
Temporary Accommodation costs	146
PRS incentives for 55 individuals	110
1 x PRS Officer for 12 months	50
2 x Floating Support officers for 6 month	35
Supported Housing - 12 placements	36
Winter Fund for spot placements	14
	391

- 5.2 The total cost will be fully funded by the ring-fenced grant so there is no net impact on the Council’s budget, and it is recommended that the grant is drawn down from the 2020/21 Central Contingency to the Housing revenue budget.

- 5.3 Based on the average cost of a one-bed placement in Nightly Paid Accommodation, the estimated cost of accommodating 55 individuals would be around £300k per annum, so this work is key to mitigate the long-term impact on Housing budgets.

- 5.4 This funding is in addition to the £104k Rough Sleepers Initiative as detailed in paragraph 3.4 which was approved for draw down in July 2020.

6. LEGAL IMPLICATIONS

- 6.1 The Housing Act 1996, Part 7 (as amended) sets out the Council’s statutory homelessness duties, including the duty to provide temporary accommodation while it makes inquiries if it has reason to believe that the applicant may be homeless, eligible for assistance and in priority need.

- 6.2 The Council can rely on Part 7 of the Housing Act 1996 to provide temporary accommodation together with the general power of competence in section 1 Localism Act 2011. Accommodation made available Part 7 of the Housing Act 1996 strictly as provided by Schedule 1 of the Housing Act 1985 will not be a secure tenancy or license.

- 6.3 The demand for homeless accommodation has continued to increase following the implementation of the Homeless Reduction Act 2018, as the duties towards homeless

households are expanded. The Act placed a duty on councils to try to prevent homelessness and a duty on public bodies to refer people at risk of homelessness, flagging those most vulnerable to homelessness and rough sleeping so they could receive support

- 6.4 Allocation of housing must be compatible with the Council's Allocation and Homelessness duties under the Housing Act 1996. The Homelessness Code provides statutory guidance on how to interpret and apply the homelessness legislation and contains details of good practice that local authorities should adopt. It is not legally binding but local authorities are required to have regard to it .The Code has recently been updated to add further categories to those in priority need to reflect the impact of the coronavirus pandemic including people sleeping rough who should be carefully assessed, including their age and underlying health conditions.
- 6.5 On 26 March 2020, the Minister for Local Government and Homelessness wrote to local authorities asking them to urgently accommodate all rough sleepers and focus on the provision of adequate facilities to enable people to adhere to the guidance on hygiene or isolation, including for those who are at risk of sleeping rough, In a letter dated 28 May 2020, from the Minister for Rough Sleeping and Housing made further requests to local authorities when arranging move-on accommodation for people sleeping rough. Partly as result of these Government requests and the on-going Government agenda, Grant funding has been made available to local authorities through the Rough Sleepers Funding Infection Control, Everyone in Initiative and Next steps Accommodation Funding. Acceptance of these Grants from GLA and MHCLG under sections 31 and 32 of the Local Government Act 200) require the Council to comply with the grant conditions including monitoring and evaluation. Accordingly, officers need to fully understand and comply with the grant conditions and where necessary should seek advice and assistance.
- 6.6 The Council must make decisions in accordance with the law and also in accordance with its fiduciary duty to its taxpayers in using Council resources. The report mentions the headline benefits including the social and financial benefits that must be properly weighed up and considered before taking decisions when accepting grant and applying resources.
- 6.7 Best Value Duty Guidance and case law under the Local Government Act 1999 is applicable where authorities are reviewing service provision and making arrangements to secure continuous improvement in the way its functions are exercised, an authority must regard to economy, efficiency and effectiveness in considering overall value, including economic, environmental and social value.

ADULT SOCIAL CARE INFECTION CONTROL FUND

1. Introduction

1.1. The government has announced a further instalment of the Adult Social Care Infection Control Fund with £546M to be spent nationally. The final grant details have yet to be published, however Bromley's allocation is estimated to be £1,815,705 based on the original allocation methodology. The Council received an allocation of £2.179M in the first allocation of this grant made in May 2020.

1.2.

The primary purpose of this fund is to support adult social care providers, including those with whom the local authority does not have a contract, to reduce the rate of COVID-19 transmission in and between care homes and support wider workforce resilience.

1.3. This report summarises the grant arrangements and details some learning from the implementation of the first allocation.

2. Recommendations

2.1. It is recommended that:

- delegated authority is given to Director of Adult Social care to implement the Infection Control Fund up to the total value of the Bromley allocation and in accordance with the grant conditions provided by the Department for Health and Social Care.
- Where the Council has discretion to allocate the funds to providers other than care homes priority is given to domiciliary care providers.

3. Grant conditions

3.1. The government updated its guidance for the Infection Control Fund grant on 21 September 2020. It is not known whether there will be a further iteration of this guidance or the grant conditions prior to government issuing the funds to local authorities. The key conditions of the grant are presently:

3.2. General

- The grant must not be used for fee uplifts, expenditure already incurred or activities for which the local authority has earmarked or allocated expenditure or activities which do not support the primary purpose of the Infection Control Fund.
- The Council will receive the funds in two equal instalments
- The Council will report back to DHSC on how the money has been spent.

3.3. Care Homes

- 75% of the funds are to be passported to care homes on a per beds basis and whether or not the homes are supporting residents funded by the Council.
- The funds are to be spent on activities to reduce infection with an emphasis on staffing costs to enable the safe management of homes and to backfill staff who are self-isolating, etc. The funds are not for PPE or cleaning.

- Care homes are required to commit to completing the government's care homes tracker reporting on daily activity data to DHSC and commit to spending the money in accordance with the grant conditions.
- Care homes will need to certify that the money has been spent appropriately
- The Council is responsible for the distribution of the funds to care homes and will need to put in place measures to ensure that the money is spent appropriately
- Funds not spent in accordance with the grant are to be returned to the Council for redistribution to compliant care providers

3.4. Discretionary Funds

- The Council may use the other 25% as described above but do not have to. 25% of the Grant may be used on other Covid19 infection control measures payments including domiciliary care and wider workforce measures. The 21 September 2020 revision to the grant conditions included a new permission that the discretionary funds could be spent by providers on PPE

4. **Implementation of the first allocation of funds**

Care Homes

- 4.1. Care Homes were required to invoice the Council for their share of the funds and in doing so agree to abide by the grant conditions and provide evidence that the funds have been spent on infection control measures. Each care home received £1.03K per bed

Discretionary Funds

- 4.2. The discretionary funds were distributed to the Council's six extra care housing schemes and other supported housing schemes that provide personal care to residents. Similar conditions to those applied the care homes were stipulated with providers as well as a requirement to participate in infection control training.

Lessons learnt from implementation

- 4.3. All of the Bromley allocation was distributed in accordance with the grant conditions and in time to meet government requirements. Key lessons learnt from managing this first allocation were:

- Many providers needed support in choosing the right infection control support for their services. Advice was supplied by the Public Health Service
- Some providers struggled to complete the information returns for the Council to check grant compliance. More advice will be offered to providers and a simpler returns template will be created
- Some providers refused or returned the funds because they did not need this support or found compliance with the government grant conditions unhelpful. Unspent funds were redistributed but in future it would be helpful to anticipate returned funds and how they will be spent in advance
- In some case it was difficult for both the Council and providers to determine whether State Aid Rules applied. Legal advice and a disclaimer form developed by ADASS was adopted by the Council.
- Collating, checking and querying provider returns was time consuming. Deadlines for providers to supply their returns will need to be adjusted to give more time to both providers and the Council.

4.4. The implementation of the first allocation was successfully concluded and lessons for both providers and the Council may be applied to the administration of the second grant allocation.

5. The Second Allocation of Funds

5.1. The first instalment of the second allocation of funds is anticipated in October 2020 and in time to support providers over the Winter and in the event of further national and local surges in Covid-19. It is not known whether there will be a further iteration of the grant conditions.

5.2. Arrangements are being put in place to administer the grant over the autumn and winter taking lessons from managing the first allocation. The management of the grant will be adjusted to take account of any changes made to its conditions.

5.3. Where the Council has discretion to spend the grant on any providers other than care homes priority will be given to domiciliary care providers. This group of providers played a key role in supporting the Council and Bromley residents in the first wave of Covid-19 and will need and deserve more support over the coming Winter

6. IMPACT ON VULNERABLE ADULTS & CHILDREN

6.1. The Grant is intended to enable providers of social care to continue to deliver in a safe manner during the continuation of the COVID-19 outbreak.

7. POLICY IMPLICATIONS

None

8. PROCUREMENT IMPLICATIONS

8.1. As the Council is passporting the majority of the funding to providers rather than seeking to procure services itself, the provisions of the Public Contracts Regulation 2015 will not apply. If the distribution of any of the discretionary element involves procuring services then Council will follow the regulations and its contract procedure rules.

9. FINANCIAL IMPLICATIONS

9.1. The proposals outlined in this report will result in payments to adult social care providers totalling an estimated £1,816k. As set out in Section 1, the actual grant allocation has not yet been announced, so this amount assumes the same allocation methodology is used as for the first grant allocation.

9.2. The total cost will be fully funded by the ring-fenced Infection Control Fund grant so there is no net impact on the Council's budget, and it is recommended that the grant is drawn down from the 2020/21 Central Contingency to the Adult Social Care revenue budget.

9.3. If any providers do not comply with the grant conditions, or if they are unable to receive it due to State Aid restrictions, then it is proposed that the remaining funding will be spent in accordance with Section 5.

10. PERSONNEL IMPLICATIONS

There are no direct personnel implications.

11. LEGAL IMPLICATIONS

- 11.1. The Government through a Ministers Determination under section 31 of the Local Government Act 2003 allocated a ring-fenced infection control fund to provide grants to local authorities for 2020/2021
- 11.2. The primary purpose of this fund is to support adult social care providers, including those with whom the local authority does not have a contract, to reduce the rate of COVID-19 transmission in and between care homes and support wider workforce resilience. A small percentage of it may be used to support domiciliary care providers and support wider workforce resilience to deal with COVID-19 infections.
- 11.3. The Council has been awarding a grant sum to providers based on CQC bed count data, The Council must comply with the grant conditions attached to the grant and ensure that recipients also comply to ensure the proper use and accounting of the grant paid. The Council has the legal power to receive and distribute the grant and to make discretionary grant determinations as permitted within the grant award. The council must have due regard to all relevant circumstances including government guidance and local need when deciding on discretionary allocations.
- 11.4. Government and ADASS guidance has addressed the issue of state aid and the Council has dispensed the grant in compliance with state aid. Officers may wish to review and update its grant administration should any further Government grant funding become available in light of the announcement of a further instalment of the Adult Social Care Infection Control Fund.

DEFRA Food and Essentials Grant Distribution - £279,372

1. INTRODUCTION

1.1 The Local Authority Emergency Assistance Grant for Food and Essential Supplies is for local authorities in England to use to support people who are struggling to afford food and other essentials due to COVID-19. The grant has been split into two specific areas. These are the Operation Shielding, Volunteering and Assistance Programme and Children Social Care essential items. Both areas are described in detail below: -

4. RECOMMENDATION

4.1 It is recommended that:

The sum of £279k be drawn down from the 2020/21 Central Contingency to implement the DEFRA Food and Essentials Grant Distribution Programme as outlined below.

5. COMMENTARY

Children Social Care Essential Items

- 5.1 Children's Social Care has focussed the spend of this 160K grant upon relieving hardship for children and their families. Many of whom suffer, emotional, physical and psychological difficulties that have been further exacerbated by COVID-19.
- 5.2 Children's Social Care are currently engaged with 2,400 Bromley children that includes children in our care and care leavers that we support up to age 25.
- 5.3 We have seen our referrals to the front door increase significantly which is a demonstration of the stresses within families and this grant has significantly improved outcomes for children enabling them to have short breaks/activities with their families.
- 5.4 We have provided food to our care leavers and funded activities for them to reduce their isolation. We have provided staff to take groups of looked after children and care leavers, some who are parents themselves, for day trips to the coast. All trips were risk assessed in accordance to Public Health guidance. We have funded a photography course again, risk assessed to ensure COVID-19 compliance measures were in place. The photographs produced are soon to be placed in an auction as a fund raiser. The young people learned photographic skills, and this raised their self-esteem. Another group produced their own video with the assistance of professional input.
- 5.5 We have been supporting our foster carers and special guardians to support children in their care with their mental health and wellbeing to prevent foster placements and special guardianship placements from breaking down during the current pandemic.

- 5.6 Due the strains on families we have seen an increase in demand for our in house therapy service and provided extra practical equipment to support the sessions undertaken with children and their carers.
- 5.7 For many of our families who have children with complex behavioural needs including profound disabilities, we have provided activities and short breaks as well as food. These families have not been able to access the usual respite care provided by Bromley Health Care due to COVID-19 and redeployment of staff. The increased support provided with the DEFRA funds have made the difference to them coping or those very complex children coming into Local Authority care which would be detrimental to their welfare as well as the cost to the Local Authority of such specialist placements.
- 5.8 The funds have been shared across all the teams in children’s services and have benefitted many families where parents have found themselves to now be unemployed or furloughed. For many families this has made the difference to being resilient, supporting coping strategies and preventing further increase into the care population or, and increasing the numbers of children subject to a child protection plan.
- 5.9 Table 1 below outlines the estimated expenditure set aside to be covered from this grant

Table 1 – Expenditure by Children’s Social Care

Short Breaks	£100,000
Staffing/Training	£30,000
Equipment for children	£18,000
Activities for children	£7,000
Food/Vouchers	£5,000
Total expenditure	£160,000

Operation Shielding, Volunteering and Assistance Programme

- 5.10 The Operation Shielding, Volunteering and Assistance Programme commenced in Bromley on 17th March 2020. Food support was offered to all 13,731¹ clinically extremely vulnerable (CEV) Bromley residents by the government, which included priority online shopping slots or a free box of essential foods delivered to their doorstep weekly.
- 5.11 Bromley Council established a food distribution hub at the Civic Centre to support shielding individuals in emergency situations, for example where their government issued food box had not arrived or where they were in the process of being registered and could not wait for the box to arrive, as they had run out of food. This hub was supported by volunteers who delivered the food to residents. This shielding support was in addition to the support provided to over 1,100 non-shielding vulnerable individuals with shopping and other tasks.
- 5.12 Government support for shielding individuals ceased on 31st July. The Bromley Council support hub remained open for a further month to 31st August, along with the assistance helpline, to ensure those who required ongoing food support had help to establish this where required. The

¹ Number of Bromley shielding residents as at 31st July when government shielding support ended.

assistance line has been diverted to LBB customer services from 1st September but no requests for food support are currently being received by this programme.

- 5.13 A core team of emergency response Council officers are ready to be mobilised to run the assistance line again, in the event of a second wave or local lockdown. Voluntary sector food partners are also ready to support delivery of any future Council COVID-19 volunteering programme.
- 5.14 Total programme expenditure from 17th March to 31st August (when the main programme paused) is shown below in Table 2. Staffing costs were met from business as usual staffing budgets, apart from overtime paid to staff operating the helpline on bank holidays.
- 5.15 All programme costs incurred by LBB and by Voluntary Sector food distribution organisations have been met by the DEFRA grant for Food and other Essentials.

Table 2: Operation Shielding, Volunteering and Assistance Programme Cost

Food Purchased directly by LBB for distribution by volunteers to shielding residents	£3,322
Overtime costs for LBB officers (bank holidays)	£2,125
Equipment Setup Costs for Assistance Helpline (Including IT)	£230
Enhanced DBS checks for all volunteers mobilised	£9,113
Design, printing and distribution of all support information to residents	£21,863
Voluntary Sector Costs for food provision and distribution	£82,719
Total Programme Costs	£119,372

6. IMPACT ON VULNERABLE ADULTS & CHILDREN

- 6.1 The Grant is intended to help support vulnerable children and adults during the continuation of the COVID-19 outbreak.

7. POLICY IMPLICATIONS

- 7.1 None

8. PROCUREMENT IMPLICATIONS

- 8.1 Any procurement implications arising from the recommendations in this report will be managed in accordance with the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules where necessary.

9. FINANCIAL IMPLICATIONS

9.1 The proposals outlined in this report will result in expenditure of £279k.

9.2 The total cost will be fully funded by DEFRA Food and Essentials Grant Distribution grant so there is no net impact on the Council's budget, and it is recommended that the grant is drawn down from the 2020/21 Central Contingency to the ECS and CSC budgets.

10. PERSONNEL IMPLICATIONS

10.1 There are no direct personnel implications.

11. LEGAL IMPLICATIONS

11.1 There are no direct legal implications.

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Report No.

London Borough of Bromley

PART 1 – FOR PUBLICATION

Decision Maker: LEADER OF THE COUNCIL
FOR PRE DECISION SCRUTINY AT THE RENEWAL,
RECREATION AND HOUSING POLICY DEVELOPMENT AND
SCRUTINY COMMITTEE

Date: October 2020

Decision Type: Non-Urgent Executive Key

Title: PROPERTY ACQUISITION SCHEME PROPOSAL

Contact Officer: Sara Bowrey, Director Housing Planning and Regeneration
E-mail: sara.bowrey@bromley.gov.uk

Chief Officer: Sara Bowrey, Director of Housing, Planning, Property and Regeneration

Ward: (All Wards);

1. Reason for report

This report advises on the option to lease up to 50 former Hyde social housing properties from Beehive for use as accommodation to help reduce the current pressures in relation to homelessness and temporary accommodation.

2. **RECOMMENDATIONS**

2.1 That Members of the Renewal, Recreation and Housing Policy Development and Scrutiny Committee, review the content of this report and provide their comments to the Leader.

That the Leader is asked to:

2.2 Agree to enter into an agreement for lease for the acquisition of the leasehold properties identified in this Report and to delegate authority to the Director of Housing, Planning and Regeneration to agree final terms with Beehive for the acquisition of the leases in consultation with the Director of Corporate Services and the Director of Finance and to enter into the leases on the dates specified in the agreement.

2.3 Approve the allocation of £50k budget for the survey work funded from the Housing Investment Fund earmarked reserve.

2.4 Delegate authority to the Director of Housing, Planning and Regeneration in consultation with the Director of Corporate Services and the Director of Finance to agree final terms for the disposal of the properties identified in this Report by way of the grant of underleases to Orchard & Shipman for terms expiring on the 31st March 2024 and at the rental levels identified herein, with management arrangements for the properties to be included within the existing contract held with Orchard & Shipman.

Impact on Vulnerable Adults and Children

1. Summary of Impact: The accommodation provided ensures that the Council is able to meet its statutory responsibilities in respect of housing
-

Corporate Policy

1. Policy Status: Existing Policy: Further Details
 2. BBB Priority: Supporting Independence: Further Details
-

Financial

1. Cost of proposal: Estimated Cost: £50k for property surveys
 2. Ongoing costs: Net savings of £315k plus £76k surplus in year 1 (future years will vary depending on RPI and LHA levels)
 3. Budget head/performance centre: Operational Housing
 4. Total current budget for this head: £7.7m
 5. Source of funding: Housing Investment Fund earmarked reserve
-

Personnel

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Statutory Requirement: Further Details
 2. Call-in: Applicable: Further Details
-

Procurement

1. Summary of Procurement Implications:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The council currently has more than 1700 households accommodated in various forms of temporary accommodation with around 1000 of these in insecure nightly rate accommodation. The units provided under this proposal would provide move on opportunities for 50 households into settled accommodation.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1. For Bromley, like most London boroughs one of the most significant long-term cost pressures is the impact of homelessness and provision of temporary accommodation.
- 3.2. There are currently approximately 1,700 households in Temporary Accommodation (TA), of which just over 1,000 are in costly forms of nightly paid TA, putting a continued strain on the Council's revenue budget
- 3.3. The Council therefore continues to seek all opportunities to increase the supply of affordable housing and reduce the costs in providing temporary accommodation to meet statutory rehousing duties and in particular the reliance on costly forms of nightly paid accommodation.
- 3.4. Beehive are a relatively new company that has been set up to acquire surplus homes from housing associations which they lease to Local Authorities at a rent pegged to the Local Housing Allowance to reduce housing pressures.
- 3.5. Beehive have approached the Council with a proposal for the financing and purchase of 50 properties in locations within and outside the Borough (with the possibility of further properties at a later date). Beehive have obtained funding to acquire the properties from Hyde Housing Association which is conditional upon Beehive granting leases and underleases to the Council back to back with their acquisition of the properties. The acquisition of these leases from Beehive will reduce the Council's reliance on costly nightly paid accommodation.
- 3.6. Under the proposal, Beehive will secure funding for the purchase of the properties. The properties will be leased to the Council for a period of 135 years at rents equivalent to 69% of the Local Housing Allowance applicable for each unit, increasing by RPI each year (collared at zero and 5%).
- 3.7. The properties will be acquired in three tranches the first tranche completing on the 31st October 2020, the second on the 26th November and the third tranche on the 26th January 2021.
- 3.8. The leases will be for terms of 135 years, however on the 50th year of each term the rent will reduce to a peppercorn and the Council can then exercise an option to acquire the properties from Beehive for £1.
- 3.9. If the council enters into the Agreement for Lease they will be obliged to take the leases irrespective of whether the properties meet the required standards following surveys. Surveys have therefore been commissioned to identify whether the properties meet the council's requirements. Terms are being finalised for the substitution of any defective premises with a replacement property that meets the Council's requirements before the council enters into the agreement for lease.
- 3.10. It is proposed that these vacant properties will initially be held in the General Fund as the Council's duties in respect of homelessness fall outside of the Housing Revenue Account. On completion of each tranche of leases acquired by the Council from Beehive, the Council will grant underleases to Orchard and Shipman who will be responsible for the maintenance of the properties and for the granting assured shorthold tenancies to households nominated by the Council.
- 3.11. A disposal of General Fund property to a third party will have to comply with the duty imposed in section 123 of the Local Government Act 1972, being the duty to obtain the best consideration reasonably obtainable. The rents payable by Orchard & Shipman under the

proposed underleases comply with this duty even though these leases will be for terms of less than 7 years.

- 3.12 The leases from Beehive to the Council permit an underlease to a third party or Wholly Owned Company or Limited Liability Partnership without the prior consent of Beehive.
- 3.13 The existing Council contract with Orchard and Shipman runs to 31st March 2024. During this time, Officers will review the options to manage the properties after this date for Members to agree in due course. This could involve transferring these properties into the Housing Revenue Account and/or leasing them to a Wholly Owned Company/Limited Liability Partnership or to a Registered Provider which will be able to grant assured shorthold tenancies and procure management and maintenance services.
- 3.14 The options appraisal will need to take into consideration other housing initiatives that are under development, such as those set out in the Transforming Bromley: Approach to Building Homes in Bromley report that was considered by the Renewal, Recreation and Housing PDS Committee on 2nd September 2020 which referred to a potential alternative delivery model operating in parallel to the Housing Revenue Account in respect of the provision of private rented accommodation either comprising a single or a group of wholly owned companies.
- 3.15 Specialist legal and financial advice will be required before a decision can be made to set up a Wholly Owned Company or Limited Liability Partnership to advise on any tax, state aid and best consideration implications and to assist with the formal business case that is legally required to set up a company structure.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The recommendations support children and vulnerable people through the provision of housing supply.

5. POLICY IMPLICATIONS

- 5.1 The Council has a published Homelessness Strategy which sets out the approved strategic policy in terms of homelessness. This includes temporary accommodation provision and reducing the reliance on nightly paid accommodation. The Council already works with a number of providers from the provision and management of temporary accommodation.

6. FINANCIAL IMPLICATIONS

- 6.1 The proposed scheme would produce full year savings to the Council of around £315k per annum on temporary accommodation costs for the 50 properties. On the 50th year of the lease, the rents payable to Beehive reduce to zero and thereafter the leasehold or freehold title will be transferred to the Council with no outstanding debt payable.
- 6.2 In addition, the rental income from the leases to Orchard and Shipman will generate a year one surplus to the General Fund of around £76k per annum.
- 6.3 There is a potential option to subsequently expand this scheme. Based on previous discussions this could be up to a further 40 properties, which would increase the savings to around £567k and the surplus of around £137k per annum. This would be subject to further due diligence and a subsequent report to Members.
- 6.4 The properties have already been identified with Hyde, so the acquisitions can be completed at pace once the necessary legal documentation has been completed, and this reduces or

eliminates any risk of the Council having to make lease payments to Beehive without any rental income from tenants.

- 6.5 Within the financial model, there is an allowance of around £139k per annum (increasing by 2.5% per annum) for maintenance and management costs, including service charges, insurance, bad debts and voids. Initially this will be sufficient to cover the costs of Orchard and Shipman providing maintenance and management services, however this may change at a later date if the properties revert to the General Fund and the service is re-tendered or the properties are transferred into the Housing Revenue Account or leased to a wholly owned company or third party.
- 6.6 Stamp duty land tax (SDLT) will be payable on the granting of the leases from Beehive to the Council, which is currently estimated at £113k. This has been accounted for in the financial model and Beehive will pay the actual cost to the Council by way of a reverse premium. The granting of the short term leases to Orchard and Shipman are expected to be exempt from SDLT, as are any subsequent leases to a wholly owned company under group relief arrangements.
- 6.7 A key part of the financial model is how the various cashflows change over time. The lease payments increase by RPI (collared at 0-5%), and rent income from Orchard and Shipman will increase in line with Local Housing Allowance (LHA) levels, which are linked to 30th percentile rent level for the area.
- 6.8 The table below provides a summary of Net Present Value (NPV) scenario modelling carried out on the proposal. This shows the potential impact of LHA rent inflation being lower than RPI (assumed at 2.5%). It also provides a comparator for a temporary accommodation scheme.

Scheme type	Discharge of Duty			Temporary Accommodation		
	Current LHA			90% 2011 LHA		
Rent levels						
Number of properties	50			50		
Rent inflation assumption	2.50%	2.00%	1.50%	2.50%	2.00%	1.50%
	£'000	£'000	£'000	£'000	£'000	£'000
Year 1 surplus/deficit(-) (excl TA savings)	76	76	76	-85	-85	-85
<u>Surplus/deficit(-) (incl TA savings)</u>						
Year 1	391	391	391	230	230	230
Year 50 (present value)	137	49	-21	41	-27	-81
Total NPV years 1-50 (excl. asset value)	11,807	9,094	6,752	5,619	3,537	1,740
Estimated asset value in yr 50 (present value)	7,693	7,693	7,693	7,693	7,693	7,693
Total Net Present Value	19,500	16,787	14,445	13,312	11,230	9,433
<u>General Assumptions</u>						
Retail Price Index (RPI) inflation	2.50%					
House Price Index (HPI) inflation	2.50%					
Discount Rate	3.50%					
TA savings inflation	1.00%					
Average current property value	£250k					

- 6.9 This shows that even if LHA rent inflation was at 1.5% compared to RPI assumed at 2.5% for the entire 50 years, the net deficit would only exceed the savings on temporary accommodation near the end of the scheme (year 45), with the scheme providing a total NPV benefit to the Council of £6.8m (£14.4m including the estimated asset value).
- 6.10 If LHA increased at the same rate as RPI, the NPV benefit would be £11.8m (£19.5m including estimated asset value).
- 6.11 A key risks to the Council is therefore if RPI increase on the lease payments to Beehive exceed the LHA increase on rent payments from Orchard and Shipman. If the LHA increase is lower than RPI for a sustained period then the Council would have the option to mitigate this by disposing of the properties to a wholly owned company which would be able to let them on alternative tenures including up to market rents. This would reduce the savings on temporary accommodation budgets, but would ensure the continued financial viability of the scheme overall.
- 6.12 With regard to the scheme being one where the Council discharges its homeless duty compared to having to acquire temporary accommodation, in addition to being a better outcome for the tenants, the rental income can be significantly higher, as indicated by the table below (for Outer South East London, which covers the majority of Bromley):

	Affordable Housing	Temporay Accommodation
	Current LHA	90% 2011 LHA
	£	£
Self contained (1 bed)	10,740	7,310
Self contained (2 bed)	13,200	8,934
Self contained (3 bed)	15,600	10,776
Self contained (4 bed)	19,200	14,079

- 6.13 As demonstrated in the table in paragraph 6.8, a temporary accommodation scheme would also deliver a positive NPV, however the rental income would be lower, so the scheme would have an ongoing net deficit (£85k in year 1) which would reduce the overall net savings on the scheme.
- 6.14 From an accounting perspective, the leases from Beehive would be treated as finance leases, so the Council would recognise a long term liability on its balance sheet for the minimum lease payments due, and the properties would be accounted for as Property, Plant & Equipment. The minimum lease payments total £23.9m over the 50 years; however this would only occur if RPI is zero or negative for the entire 50 year term. Assuming a more prudent RPI figure of 2.5% per annum as in the table in 6.8 above, the total lease payments would be £46.5m.
- 6.15 External advice may need to be sought on the accounting treatment if the Council later transfers the properties into the HRA and/or decides to transfer the properties to a wholly owned company, especially around the reporting requirement for group accounts. Current accounting treatment of the lease to Orchard & Shipman (or to a wholly owned company) would likely be an operating lease which wouldn't impact on the balance sheet, but this is expected to change with the adoption of IFRS16 which would mean a similar balance sheet treatment to the leases from Beehive.

- 6.16 As set out in paragraph 3.9, the Council will need to carry out surveys of the proposed properties which are estimated to cost around £50k, and it is requested that this cost is funded from Housing Investment Fund earmarked reserve.

7. LEGAL IMPLICATIONS

- 7.1 The Council has the power to acquire property for housing purposes by virtue of section 9(1) of the Housing Act 1985. Pursuant to the provisions in Schedule 1 of the Housing Act 1985, the Council is able to hold property for use as Temporary Accommodation within the General Fund since a tenancy granted in pursuance of the homelessness function under Part VII of the Housing Act 1996 falls outside the scope of the HRA.
- 7.2 The grant of the underleases to Orchard & Shipman, if for a term of less than 7 years will be exempt from the duty imposed upon the Council in section 123 of the Local Government Act 1972 to obtain the best consideration reasonably obtainable.
- 7.3 Any contract to manage the properties acquired will need to be entered into in compliance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015 if the value exceeds the relevant threshold.

8. PROCUREMENT IMPLICATIONS

- 8.1 No specific procurement action as the management arrangements for the properties are already in place via the existing Orchard & Shipman contract.
- 8.2 The paper refers, in paragraph 3.13, the intent to consider appropriate procurement action for future management of properties in due course.

Non-Applicable Sections:	Personnel
Background Documents: (Access via Contact Officer)	