

Decision Maker: EXECUTIVE
For Pre-decision Scrutiny by RRH PDS Committee on 16th
June 2021

Date: Wednesday 30 June 2021

Decision Type: Non-Urgent Executive Key

Title: NEXT STEPS FOR THE CRYSTAL PALACE PARK
REGENERATION PLAN

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Chief Officer: Director of Housing, Planning, Property and Regeneration

Ward: Crystal Palace;

1. Reason for report

- 1.1 On 25th March 2021, the Development Control Committee resolved to grant Outline Planning Permission for the Crystal Palace Park Regeneration Plan, subject to legal agreement.
- 1.2 The next step in delivering the Regeneration Plan is to develop the shadow S106 agreement, or similar mechanism, and refer the Outline Planning Application (OPA) to the Greater London Authority.
- 1.3 In order to progress the next step, secure planning permission and the capital receipts from the associated land disposals, further funding is required to appoint an external planning lawyer and commission reactive support from consultants, AECOM.

2. **RECOMMENDATION(S)**

- 2.1 The Renewal, Recreation and Housing PDS Committee are asked to:
 - Note and provide comment on the content of this report to the Executive.
- 2.2 The Executive is asked to:
 - Approve an increase in the Capital Programme of £65k to develop the legal agreement for the Crystal Palace Park Regeneration Plan OPA, funded from capital receipts.

Impact on Vulnerable Adults and Children

1. Summary of Impact: The Regeneration Plan will have a positive impact on vulnerable adults and children. The park is an unrestricted public space and leisure facility which is easily accessible by public transport or car.
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Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Quality Environment and Regeneration
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Financial

1. Cost of proposal: £65k
 2. Ongoing costs: Non-Recurring Cost
 3. Budget head/performance centre: Capital Programme – Alternative Management Arrangements
 4. Total current budget for this head: £nil
 5. Source of funding: Capital Receipts
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Personnel

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

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Applicable
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Procurement

1. Summary of Procurement Implications: The external planning lawyer will be appointed through the Council's legal framework: EMW Law share Legal Framework
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): It is estimated that the park receives 1.4m visits each year.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Both ward councillors recognise the risk inherent in the recommendation but give it their full support.

3. COMMENTARY

- 3.1 At the Development Control Committee on 25th March 2021, the Council resolved to grant outline planning permission, subject to legal agreement, for the Crystal Palace Park Regeneration Plan (Application No. 20/00325/OUT) which was submitted to the Local Planning Authority in January 2020 (Report No. DRR20/018).
- 3.2 The proposed Heads of Terms for the shadow S106 / legal agreement were included in the report to the Development Control Committee.
- 3.3 Following this resolution, officers are now seeking to appoint an external planning lawyer to represent the Council as applicant and landowner, in negotiating and agreeing the legal terms with the Local Planning Authority.
- 3.4 Officers have identified a suitable planning lawyer through the EMW Law share Legal Framework with guidance from the Principal Lawyer, Head of Commercial. It is anticipated that this appointment will be c.£40k.
- 3.5 In addition, consultants AECOM (who were appointed in 2016 to develop the Regeneration Plan, Report No. DRR16/009) are required to support officers during negotiations of the legal terms. It is anticipated that this commission will have a maximum value of c.£25k due to the reactive nature of the work.
- 3.6 A financial model for the delivery of the Regeneration Plan was developed by AECOM and was submitted as part of the Financial Viability Assessment with the OPA. In this, AECOM's sub-consultants, Knight Frank, valued two enabling development housing sites on the periphery of Crystal Palace Park ("Rockhills" and "Sydenham Villas") at £24m. The capital receipts from the two sites will fund much of the Regeneration Plan (Report No. DRR17/029).
- 3.7 The financial model sets aside £400k for 'LBB Staffing and Legal Costs including Lease Terminations'. This line in the model is intended to cover the cost of developing the legal agreement, amongst other items.
- 3.8 Once the capital receipts from the enabling development housing sites become available, the cost of agreeing legal terms will be reimbursed to the Council from the receipts.
- 3.9 When the legal agreement is decided, the outline planning application will be referred to the GLA, who can agree with the Local Planning Authority's decision to grant permission, refuse it, or call it in to determine itself.
- 3.10 It is only after outline planning permission has been granted that the enabling development housing sites can be sold. Therefore, until this point, this spend to develop the legal agreement will be at risk.
- 3.11 However, it is a necessary spend as without the legal agreement, outline planning permission cannot be granted and the Council's investment in the Regeneration Plan to date (Report No. DRR17/029) will not achieve the critical works and strategy needed by the park to protect it for future generations.
- 3.12 It is anticipated that the legal agreement and referral to the GLA will take between three and 12 months to complete. During this time, a further report will be brought forward to set out the funding requirements to deliver Phase 3 of the Regeneration Plan, "Implementation".
- 3.13 This next report will provide a comprehensive update of the Regeneration Plan and will request drawing down monies to prepare for the construction costs of the "Implementation"

phase, as set out in previous reports. These monies are accounted for in the financial model mentioned in para. 3.6.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The Regeneration Plan will have a positive impact on vulnerable adults and children. The park is an unrestricted public space and leisure facility which is easily accessible by public transport and car.
- 4.2 The park is designed for public enjoyment and education, and includes the popular dinosaurs which are a unique London attraction. The Regeneration Plan will improve access and public enjoyment, and will increase the amount of high quality, freely accessible public land within the park. The park provides green space for many local families who do not have access to gardens of their own.

5. POLICY IMPLICATIONS

- 5.1 Crystal Palace Park is shown within various designations and policies in the Local Plan and the London Plan. The Outline Planning Application for the Regeneration Plan establishes the planning principles for the park.

6. FINANCIAL IMPLICATIONS

- 6.1 To progress the legal agreement, Officers are requesting additional funding of £65k. The existing capital programme provision for this scheme has been fully utilised and there is no existing budget provision to meet this cost.
- 6.2 Subject to future consideration by Members and appropriate approvals, the Regeneration Plan will generate substantial capital receipts, and securing the legal agreement is a key stage in achieving these land disposals.
- 6.3 Therefore, subject to the views of this Committee, the Executive is requested to approve an extension to the Crystal Palace Park Alternative Management Arrangements capital programme of £65k to be funded from capital receipts.

7. PERSONNEL IMPLICATIONS

- 7.1 There are no personnel implications in relation to the contents of this report.

8. LEGAL IMPLICATIONS

- 8.1 The report seeks authority to approve the legal spend in dealing with the legal issues identified.
- 8.2 Section 111 of The Local Government Act 1972 gives power to the Council to do anything calculated to facilitate, or is conducive or incidental to the discharge of any of its functions.
- 8.3 Furthermore under Section 1 of The Localism Act 2011 a local authority has a general power of competence to do anything that individuals generally may do.

9. PROCUREMENT IMPLICATIONS

- 9.1 This report makes reference to the procurement of a suitable planning lawyer for c. £40k at 3.4 of this report, and the procurement of consultancy work from AECOM at a value of £25k at 3.5 of this report.

9.2 Both of these awards can be made with the Approval of the Chief Officer in accordance with the Council's Contract Procedure Rules.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	DRR15/020 'Crystal Palace Park' DRR17/029 'Crystal Palace Park: Regeneration Plan' DRR20/018 'Crystal Palace Park' '23/00325/OUT' Development Control Committee, 25 th March 2021