
Decision Maker:	FULL COUNCIL EXECUTIVE		
	FOR PRE-DECISION SRUTINY BY EXECUTIVE, RESOURCES AND CONTRACTS POLICY DEVELOPMENT AND SCRUTINY COMMITTEE		
Date:	EXECUTIVE 20 September 2023		
Decision Type:	Non-Urgent	Executive	Key
Title:	HOUSING DELIVERY UPDATE		
Contact Officer:	Alicia Munday, Head of Regeneration Tel: 020 8313 4559 E-mail: Alicia.Munday@bromley.gov.uk		
Chief Officer:	Director of Housing, Planning, Property and Regeneration		
Ward:	Multiple Wards		

1. Reason for decision/report and options

Following the Operational Property Review in November 2022, this report provides an update on the Council owned sites that have been earmarked for affordable housing development as well as an update on the Greater London Authority (GLA) grant for affordable home with recommendations in relation to progressing sites for social housing provision.

2. RECOMMENDATION(S)

The Executive, Resources and Contracts Policy Development Scrutiny are asked to note the report and make any comments available to the Executive.

The Executive are asked to:

- 2.1. Approve accepting the revised Greater London Authority (GLA) Grant of £37,959k to support the delivery of 217 (note this is for the Grant, not the number that may be delivered) affordable homes through the indicative sites, set out below:
 - Bromley North
 - Beckenham
 - Bellegrove (subject to further feasibility works to be reported to the Executive)
 - Manorfields (subject to further viability assessment to be reported to the Executive)
 - Poverest (subject to further viability assessment to be reported to the Executive)

2.2. Approve external borrowing in relation to the financing requirements of the Bromley North and Beckenham capital financing requirements, as set out in section 6 of this report.

2.3. Executive are asked to Approve the following recommendations in relation to each site listed above:

Bromley North

2.4. Subject to the determination of the Bromley North Planning Application, expected in October 2023:

- 2.4.1. Authorise the addition of the Bromley North Scheme to the Capital Programme at an estimate of £25.5m noting that this is the scheme cost, not the cost to the Council, and note that the Council is foregoing a potential capital receipt of £5.0m in relation to this site.
- 2.4.2. Approve the allocation of £515k of S106 funding towards the affordable housing element of the Bromley North Scheme.
- 2.4.3. Approve the acceptance of the £720k grant from the BLRF towards the Bromley North Scheme, delegating authority to the Director of Housing, Planning, Property & Regeneration in conjunction with Director of Corporate Services to agree legal matters related to the grant and discharge of conditions.
- 2.4.4. Approve award of contract, as set out in paragraphs 3.12 to 3.14, to the provider named in the Part 2 Report for multi-disciplinary consultancy services for RIBA Stages 3b to 7 of the Bromley North Scheme at an estimated whole life value as detailed in the Part 2 Report, noting there will be a break clause in the contract at RIBA Stage 4a should the scheme not progress to award of contract for construction works.
- 2.4.5. Note, as set out in paragraph 3.15, that Cost and Project Management services for the Bromley North scheme will be tendered separately to ensure stringent financial governance. The estimated value of those contracts is £390k and will, subject to Executive approval of the main recommendations, proceed to procurement and award within Officer delegated authority.
- 2.4.6. Approve proceeding to procurement, as set out in paragraph 3.11 and paragraphs 3.16 – 3.17, via a compliant route (either framework or closed tender process) for a works contractor for the initial enabling works for Bromley North at an estimated value of £720k in line with BLRF grant conditions, noting that the commencement of the enabling works contract will be dependent on award of contract for the main construction contract for the entire development of the scheme.
- 2.4.7. Approve, in principle as set out in paragraph 3.18, proceeding to procurement for the design and build works contract at the end of RIBA Stage 4a for the Bromley North scheme at an estimated value of £21m, with delegated authority to the Director of Housing, Planning, Property & Regeneration to approve the detailed procurement strategy in agreement with the Portfolio Holder, the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance, noting that award of contract and commencement of the scheme if considered financially viable will be subject to Executive decision in due course.
- 2.4.8. Approve the implementation, as far as possible, of recommendations 2.4.1 to 2.4.7 in the event of the Bromley North Planning decision being deferred, noting that no contracts will be awarded until and if Planning is secured; and noting that if the Bromley North Planning application is not granted then none of the recommendations will be taken forward.

Beckenham Site

2.5. Subject to undertaking sufficient public engagement, approve the submission of the Beckenham Car Park (Appendix B) scheme to Planning, noting that the site has already been developed to RIBA Stage 3a. The Executive is also asked to note that if the scheme is not submitted within the near future, there is a risk that the surveys procured as part of the planning process will be superseded by forthcoming policies and will therefore need to be re-commissioned at an additional cost.

- 2.6. Authorise the addition of the Beckenham Site to the Capital Programme at an estimate of £15.2m noting that this is the scheme cost, not the cost to the Council, and note that the Council is foregoing a potential capital receipt of £0.9m in relation to this site.
- 2.7. Approve, in principle as set out in paragraph 3.23, proceeding to procurement for multi-disciplinary consultancy services for RIBA Stages 3b to 7 for the Beckenham Scheme at an estimated whole life value of £669k, with delegated authority to the Director of Housing, Planning, Property & Regeneration to approve the detailed procurement strategy in agreement with the Portfolio Holder, the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance, noting that award of contract will be subject to Portfolio Holder decision in due course.
- 2.8. Note, as set out in paragraph 3.24, that Cost and Project Management services for the Beckenham scheme will be tendered separately to ensure stringent financial governance. The estimated value of those contracts is £167k and will, subject to Executive approval of the main recommendations, proceed to procurement and award within Officer delegated authority.

Bellegrove, Manorfields and Poverest Sites

- 2.9. Approve that feasibility funding for sites now added to the capital programme (West Wickham, Bromley North and Beckenham) are 'refunded' from the relevant capital budgets to allow detailed feasibility for Bellegrove, as well as further scoping for Manorfields and Poverest sites.
- 2.10. Approve, in principle as set out in paragraph 3.27 – 3.29, proceeding to procurement for multi-disciplinary consultancy services for RIBA Stages 2 to 7 for the Bellegrove Scheme at an estimated whole life value of £1.5m, with delegated authority to the Director of Housing, Planning, Property & Regeneration to approve the detailed procurement strategy in agreement with the Portfolio Holder, the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance, noting that award of contract will be subject to Executive decision in due course, including detail on break clauses within the contract should the scheme not progress.
- 2.11. Note, as set out in paragraph 3.30, that Cost and Project Management services for the Bellegrove scheme will be tendered separately to ensure stringent financial governance. The estimated value of those contracts is £383k and will, subject to Executive approval of the main recommendations, proceed to procurement and award within Officer delegated authority.
- 2.12. Approve that Bellegrove will commence a decant of the site from February 2024.
- 2.13. Approve bids for other grants towards housing schemes as may be available and appropriate.
- 2.14. Delegate Authority to the Director of Housing, Planning, Property & Regeneration in conjunction with Director of Corporate Services any legal matters related to the development of Council sites for housing, including Land Appropriation matters for both planning purposes and appropriation into the Housing Revenue Account upon completion of the schemes.
- 2.15. Delegate Authority to the Director of Housing, Planning, Property & Regeneration in conjunction with Director of Corporate Services and Director of Environmental Services relating to any matters of road adoptions or works with TFL as part of the Housing Schemes listed.
- 2.16. Note that a decision not to continue with any of the sites listed will result in a return of the GLA grant and/or the BLRF grant.

Impact on Vulnerable Adults and Children

1. Summary of Impact: see report

Transformation Policy

1. Policy Status: Existing Policy
2. Making Bromley Even Better Priority
 - (1) For children and young people to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home.
 - (2) For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence and making choices.
 - (3) For people to make their homes in Bromley and for business, enterprise and the third sector to prosper.
 - (5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.

Financial

1. Cost of proposal: £25.5m Bromley North and £15.2m Beckenham capital cost, £1.5m feasibility costs re Bellegrove
2. Ongoing costs: net saving £140k re Bromley North (year 1), net saving £10k re Beckenham (year 1)
3. Budget head/performance centre: Capital Programme
4. Total current budget for this head: Total £310.9m over the five years 2023/24 to 2027/28
5. Source of funding: External borrowing, GLA grant, S106, BLRF grant, Housing Investment Fund, private residential sale receipts

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: Non-Statutory - Government Guidance:
2. Call-in: Applicable:

Procurement

1. Summary of Procurement Implications:

Property

1. Summary of Property Implications:

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications:

Impact on the Local Economy

1. Summary of Local Economy Implications:

Impact on Health and Wellbeing

1. Summary of Health and Wellbeing Implications:

Customer Impact

1. Estimated number of users or customers (*current and projected*):

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1. As set out in the Housing Strategy 2019 - 2029, the Council faces severe housing pressures and has been working over the last 3 years to increase housing supply through building housing programmes on Council owned sites. Provision of new quality homes provides not only affordable homes for residents in Bromley but prevents the use of revenue budgets being used on Temporary Accommodation. Whilst the cost of building homes has been affected by turbulent market conditions, so has supporting families into expensive temporary accommodation or relocating families outside of the Borough. In 2021-22 120 homes were delivered in Bromley against a target of 774, highlighting delivery of housing even in private development has been significantly impacted. Provision of good quality, value affordable accommodation in the borough is essential if the Council is to reduce the current pressures on revenue budget and manage future demand for services. Building Council homes also provides vital opportunities for regeneration of key locations across the Borough.
- 3.2. Within the borough of Bromley, there are approximately 1580 households in Temporary Accommodation, which is set to continually increase at around 21 new households per month. Of these 1,100 households are in costly forms of nightly paid accommodation, which has proven to be unsecure, and therefore potentially detrimental to the health and well-being of the individuals residing in these properties. Temporary Accommodation has been put under severe pressure, and not only has become more costly but also supply is drying up creating even further pressures in the system.
- 3.3. TA costs have risen from circa £6.5k per family per year, to closer to £8.3k and are expected to rise further. Recent work undertaken by the Strategy and Performance team has identified that Bromley has seen significant increases in use of nightly paid accommodation, 69% increase since March 2023 to present, and currently is one of the highest users of TA in London. The Council has previously committed to reduce the use of the TA both for residents and to reduce long term financial pressures.
- 3.4. The Council has committed to delivering affordable homes through direct delivery, acquisitions, and potentially joint ventures. The Council made the decision in 2020 to reopen the Housing Revenue Account, and completed 60 new homes across 3 sites, by 2022 as a Phase 1. A further 49 homes are on site now, and due for completion later this year and next year in both Orpington and West Wickham, as phase 2. Whilst these homes are currently held in the General Fund with a secretary of state exemption it is expected that they will transfer to the Housing Revenue Account in the future.
- 3.5. To support further housing delivery, the Council entered a funding contract with the GLA in March 2022 (following Executive Approval HPR2022/006). This approved an allocation of £37.9m of grant funding to support the delivery of 500 homes. The Council, along with other London Boroughs have identified to the GLA that it is no longer viable to deliver this number of homes with this level of grant given the increased cost pressures on construction. The GLA recognise these pressures and the Council has submitted a variation to the GLA which has now been approved that will mean the same grant contribution will be for the delivery of 217 homes, this provides a further contribution towards each dwelling of circa £100k compared to the previous bid. The Council is required to confirm to the GLA by the end of September 2023 where it will utilise this funding and on what schemes, given the tight timescales of delivery by March 2026.
- 3.6. Given the rising costs of materials and shortage of labour, the financial viability of delivering housing schemes has become increasingly challenging. However, cost pressures are not exclusive to the construction industry, and operational housing pressures are increasing, as mortgage rates rise and rent levels increase, and this has been evident with a significant increase in costs for Temporary Accommodation. As households continue to face rising cost pressures, this is likely to add further pressures to Council services and budgets. Whilst there are some indications that the market in relation to construction is beginning to settle, given the time it takes to get a site to planning and then to build, pausing sites at this time of financial turmoil needs to be balanced against the statutory need for the Council to provide housing. Pausing sites at this point, will mean they are unlikely to be developed in time to be supported by the GLA grants, and there are no guarantee costs will decrease, but it is a certainty pressures remain and are likely to increase.
- 3.7. Up until now, Council Housing sites have been financially viable, as in the costs of delivering the sites are outweighed by the benefits realised through Temporary Accommodation savings. Once the sites transfer to the HRA (as would be required once the Council delivers more than 199 dwellings) this is

more challenging, as the benefits of Temporary Accommodation Savings will be retained in the General Fund rather than the HRA. However, it may be possible to manage some initial costs relating to feasibility and demolition in the General Fund, as well as financially support the HRA for a short for a period of time with the permission of DLUHC.

- 3.8. Overall Members will need to consider the pressures on the revenue budget in the Council General Fund from insufficient housing, and risk of not meeting statutory duty in provision of housing against the material cost of delivery of housing. Whilst acquisition programmes have previously been successful the market for this is also not sustainable, and ultimately does not provide more housing that is essentially needed. Members should also consider that there is currently significant financial support available for delivery of affordable housing, that may not be available longer term, which is driving a timely decision. The Council has not factored any of these sites into the sale of assets to secure capital receipts, all sites were included in the Operational Property Review (Executive November 2022 for delivery of housing).

Phase 3 housing sites include the following locations:

Bromley North (Appendix A)

- 3.9. Bromley North is the site included in Appendix A and makes use of Council owned car park. This is a complex site as the Council does not own all of the allocated site. Given the various land ownership on the site, there have been numerous proposals for many years to help bring the site forward for development, including looking to sell the Council owned site to an agent who has a development agreement with the other owners, and the Council even purchasing the remaining site. None of these options previously explored have been successful. It was therefore agreed by the Executive in June 2021 (Report No: HPR2021/037) that this site would be developed as a standalone site but working in partnership with the agents Wilmot Dixon who have a development agreement on the remaining components of the land. Following community engagement, a planning application by Bromley was submitted in April 2023 and is due for consideration at the Development Control committee in October.
- 3.10. As outlined within Appendix A, the development site forms part of the Site 2 Allocation within the Local Plan and is currently used as a Pay & Display carpark, providing 83 parking spaces. Although there is a potential loss of income to the Council of circa £50k per year through the forfeiture of the existing carpark for the proposed housing development, the Local Plan does not stipulate that the existing parking provision would need to be provided, due to the surplus provision of other nearby privately owned carparks within the area. Therefore, this income to the Council has always been at risk regardless of any proposed development due to capacity in locality and changing needs; management of residents' carparking requirements within the area can be met by alternative privately owned locations, whilst the Council's statutory duty to provide housing cannot. The Council has also undertaken additional work with Planners and the appointed Transport Consultant to ensure that other existing parking provision within the area can meet local parking demand through nearby privately owned carparks (noting that the Council will not benefit from any income from this displacement), should the development come to fruition.
- 3.11. Officers have also been successful in securing a further grant towards this site, from the Brownfield Land release Fund (BLRF) of an additional £720k. In order to make use of this funding, the enabling works contract would need to be signed no later than March 2024. Given the extensive work completed to date, subject to the outcome of the Planning Application, given the contributions of the GLA grant as well as the BLRF, officers are recommending that the Council approve a capital budget of £25.5m, with further detail set out in section 6 of this report.

Procurement of Bromley North Scheme

- 3.12. Procurement of a multi-disciplinary consultancy provider for design and technical services is required to progress the scheme through RIBA stages 3b – 7. The services within this contract are:
- Architect
 - Landscape Architect

- Civil & Infrastructure Engineer
- Structural Engineer
- MEP Consultant
- Fire Consultant
- Sustainability Consultant
- Acoustic Consultant
- Planning consultant
- Building Consultant

- 3.13. Following review of relevant compliant frameworks for this requirement, a suitable Crown Commercial Services framework was selected for the procurement and award of contract for the multi-disciplinary consultancy contract. Providers awarded to the framework, following a compliant tender process, are required to state their fees in line with the fee range for the framework and current market rates. The framework allows direct award based on the stated fees and review and engagement with the available providers on the framework.
- 3.14. Following assessment of the providers offers on the framework, it is proposed to proceed to award of contract, via the direct award mechanism available through the framework, the provider named in the Part 2 Report. The rates provided by the recommended supplier are within budget and in line with expected fee for works of this value.
- 3.15. It is the project team's intention to separately appoint the Project Management, Quantity Surveying and Employer's Agent services as a separate commission, either via a Framework or compliant tender process, to help ensure stringent financial governance and management throughout the development of the scheme. The value of those three procurements is estimated to be £390k in total.
- 3.16. As set out in paragraph 3.11, grant funding of £720k has been made available to support enabling works for the scheme. There are stringent timescales associated with the use of the BLRF with a requirement to place an enabling works contract by March 2024. It is proposed that these works are tendered separately from the main construction works contract to allow procurement and award of contract to be completed within the timescale requirements. Commencement of the enabling works contract will be conditional upon award of contract for the main construction works and will be tendered on that basis. This addresses the financial risk of unnecessary expenditure on enabling works should the substantive works contract not proceed.
- 3.17. It is proposed to procure the enabling works at an estimated value of £720k either through a compliant framework (utilising direct award or further competition mechanisms) or through a compliant tender process. Should a tender process outside a framework be used for this requirement, Executive is asked to waive the Contract Procedure Rules requirement of an open tender for contracts above £100k. A closed tender process is recommended in which a minimum of three participants are directly invited to tender for the requirement. This approach will facilitate market engagement, market response and speed of tender, particularly given the condition that commencement of contract is subject to successful award of contract for the main construction works. The enabling works are below the threshold of the Public Contracts Regulations 2015 and so a closed tender is in compliance with the Regulations.
- 3.18. The substantive procurement will be for the Design & Build works contract at completion of RIBA Stage 4a at an estimated value of £21m. It is proposed to utilise a compliant procurement route, either through a framework or via a suitable tender process using a JCT Design & Build contract. This procurement will be concurrent with the procurement of the enabling works but the enabling works will not commence until award of contract for the Design & Build contract is confirmed, subject to Executive decision on the financial viability of the proposed scheme. The full details of the proposed procurement strategy are to be developed further and delegated authority, in agreement with the Portfolio Holder and relevant Officers, is sought for approval of the detailed procurement approach.

3.19. Indicative Timeline for Overall Development of Bromley North

<u>Action</u>	<u>Date</u>
20 th September 2023	Executive approve the recommendations outlined within this report and the project is added to the Capital Programme
5 th October 2023	Planning Permission Determined
2 nd October – 13 th November 2023	Tender period for RIBA Stages 3b – 7 consultants
13 th November – 8 th December 2023	Consultants review specification for initial enabling works contract (BLRF requirement)
11 th December 2023 – 5 th February 2023	Tender period for initial enabling works contract (BLRF requirement)
December 2023 – March 2023	RIBA Stage 4 main construction contract tender preparation
March 2023	Contract Award for enabling works contractor (BLRF requirement)
April 2024 – June 2024	Main construction tender period
July 2024 – August 2024	Main Construction Contract Award (including financial review and Exec authority to proceed)
August 2023 – November 2024	BLRF Enabling works underway
September 2024 – November 2024	Main Construction mobilisation (following completion and handover of initial enabling works)
November 2024 – June 2026	Main Construction Works
July 2027	Project completion and handover

Beckenham Car Park Site (Appendix B)

- 3.20. This site is approximately 0.1 hectares and is situated to the rear of Beckenham Spa and Leisure Centre; it is essentially an underutilised car park comprising 44 parking bays, a detached two-story building and associated external portacabins. The site is quite complex given its proximity to the railway line but still offers an opportunity for development. The design work undertaken to date has developed a scheme that would improve the use of the site whilst remaining sensitive to the Local Conservation Area, offering a further contribution to the Council's affordable housing stock by up additional 40 dwellings.
- 3.21. As outlined within Appendix B, the development site is adjacent to the Beckenham Spa and forms part of the Pay & Display Beckenham carpark, utilising 44 of the existing 154 spaces. Environmental Services has advised that the area where the proposed development would be located is underused, and other existing spaces at the rear of the Spa complex could accommodate any displaced users. Therefore, the Council has been advised that any income loss because of forfeiture of the 44 Pay & Display spaces as a result of the proposed development adjacent to Beckenham Spa would be negligible.
- 3.22. An indicative high-level capital cost break down is included in section 6 of this report. It is recommended that the Executive approve the submission of the scheme to Planning subject to

further public engagement, noting that the site has already been developed to RIBA Stage 3.

- 3.23. As with the Bromley North scheme, procurement of a multi-disciplinary consultancy provider for design and technical services is required to progress the scheme through RIBA stages 3b – 7 at an estimated value of £669k. It is proposed to utilise a compliant procurement route, either through a framework or via a suitable tender process with suitable break clauses should the scheme not progress either at planning stage or if award of the substantive construction works contract does not proceed. The full details of the proposed procurement strategy are to be developed further and delegated authority, in agreement with the Portfolio Holder and relevant Officers, is sought for approval of the detailed procurement approach.
- 3.24. Similar to the Bromley North scheme, it is the project team's intention to separately appoint the Project Management, Quantity Surveying and Employer's Agent services as a separate commission, either via a Framework or compliant tender process, to help ensure stringent financial governance and management throughout the development of the scheme. The estimated value of those three procurements is £167k in total.

Bellgrove (Appendix C)

- 3.25. This site is situated in St Paul's Cray, a former residential care home which closed down some time ago with the current building used for Temporary Accommodation, with shared facilities. During the height of covid it was difficult to utilise the site fully as people were unable to share facilities, namely bathrooms and kitchens. The site has numerous operational property issues which makes it difficult to manage as a temporary accommodation service. The site does not enable the wellbeing of residents, particularly families to reach their full potential, due to the sharing of facilities. This also creates safeguarding issues. Housing colleagues have confirmed the site is no longer suitable for TA use, and therefore will need to be closed this autumn, and people relocated elsewhere creating further pressures on housing and TA. Housing have also confirmed it has become increasingly difficult to provide management of this building given it's current condition. . For this reason the current TA savings cannot be profiled into the financial feasibility as they will not be available longer term.
- 3.26. Early feasibility for the site has indicated that the site could be fully redeveloped into permanent housing, providing 56 dwellings and permanent revenue savings. Further detail is provided within section 6 of this report. It is recommended that the Council approves feasibility funding to take this scheme to RIBA stage 3a.
- 3.27. Similarly, to the Bromley North and Beckenham schemes, procurement of a multi-disciplinary consultancy provider for design and technical services is required to progress the scheme through RIBA stages 2 – 7 at an estimated overall value of £1.5m. It should be noted that this estimated value is based on all RIBA stages being completed but the contract will be constructed with suitable break clauses at each relevant RIBA stage should the project not progress at any stage for any reason. It is estimated that the taking the project to RIBA Stage 3 will be £613k.
- 3.28. The break clauses will be applied as required to enable the Council to terminate the contract should budget not be available, the scheme isn't considered financially viable or if the Council wishes to retender the service. The continuation of the scheme past RIBA 3a will be dependent on a financial viability assessment, and a report will be taken to Executive to provide an update on the scheme before it is progressed post planning. Funding for the initial RIBA stages up to 3a will be available in the feasibility housing fund, once other sites that are being added to the capital programme have feasibility costs 'refunded'.
- 3.29. It is proposed to utilise a compliant procurement route, either through a framework or via a suitable tender process. The full details of the proposed procurement strategy are to be developed further and delegated authority, in agreement with the Portfolio Holder and relevant Officers, is sought for approval of the detailed procurement approach.
- 3.30. Similar to the other schemes, it is the project team's intention to separately appoint the Project Management, Quantity Surveying and Employer's Agent services as a separate commission,

either via a framework or compliant tender process, to help ensure stringent financial governance and management throughout the development of the scheme. The estimated value of those three procurements is £383k in total. It should be noted that this estimated value is based on all RIBA stages being completed but the contract will be constructed with suitable break clauses at each relevant RIBA stage should the project not progress at any stage for any reason. It is estimated that the taking the project to RIBA Stage 3 will be £153k.

Manorfields (Appendix D)

- 3.31. Located in Orpington, similar to Bellegrove, this is a Temporary Accommodation facility. The site has a significant backlog maintenance reported in the Operation Property Review. Similar to Bellegrove the site can fully redeveloped to provide permanent housing, and early feasibility indicates this could provide approx. 37 dwellings. This scheme will continue to be considered for viability in future reports.

Poverest Adult Education Site (Appendix E)

- 3.32. Located in St Mary Cray, close to the Nugent Shopping Centre and next to Poverest Primary School is Poverest Adult education Centre. The Centre is well used and provides unique training opportunities for adults, with a high number of courses for adults with learning difficulties and disabilities. The Operation Property Review has identified substantial repairs needed to the centre, and it will become increasingly difficult and costly to maintain. The site itself is also under utilised (per sq/m rather than the College, which is a well-used and regarded facility). There would be restrictions on the future use of the land, which would mean reprovinding the adult education facility would be required (or other identified needed education facility). A feasibility study has therefore considered the reprovision of Adult Education facility on the same site, whilst using the remaining site for housing. The early feasibility has indicated that a new purpose-built adult education facility could be reprovinded over 2 fully accessible floors, alongside 40 residential units. This scheme will continue to be considered for viability in future reports.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1. Vulnerable children and adults will be supported through the provision of high-quality affordable housing that is suitable for individuals and families.

5. TRANSFORMATION/POLICY IMPLICATIONS

- 5.1. The delivery of the schemes listed within this report will contribute to the Corporate Strategy to Make Bromley Even Better by meeting the following objectives:

- For children and young people to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home.
- For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence and making choices.
- For people to make their homes in Bromley and for business, enterprise and the third sector to prosper.
- To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.

6. FINANCIAL IMPLICATIONS

- 6.1. This report concerns five Council owned sites that have been earmarked for affordable housing development. The sites being Bromley North, Beckenham, Bellegrove, Manorfields, and Poverest.

Executive are asked to accept the revised Greater London Authority (GLA) Grant of £37,959k towards the delivery of 217 homes, across the 5 sites as set out, noting 3 of these sites (Bellegrove, Manorfields and Poverest) are subject to further viability and/or feasibility works. Officers will be required to work with GLA officers and return any grant not used within the conditions of the GLA Grant agreement (further detail is provided in section 3 of the part 2 report).

- 6.2. The viability of the affordable housing schemes has been assessed using an in-house viability model (see section b below). The options of (a) maintaining the sites in current use, or disposing of the sites (c) has also been considered to ensure members are informed of the full range of options and the indicative financial implications for each option.
- 6.3. In January 2023, the Executive approved the Council's Capital Strategy 2023/24 to 2026/27 (report FSD23001) and agreed that all new and existing Housing Schemes should be funded by long-term borrowing. Given the currently volatility in interest rates, the Director of Finance may utilise internal borrowing where possible as an interim measure, prior to securing external long-term borrowing. Any borrowing arrangements will be reported through the regular Treasury Management reports to the Executive, Resources and Contracts PDS committee.

a) Maintain sites in current use

	Bromley North	Beckenham	Poverest	Manorfields	Bellegrove	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Current Use						
Current number of Temporary Accommodation units (no.)				52	39	91
Equivalent annual net cost (+) after liability works	-125	0	247	78	393	593

- 6.4. The above table shows that Bromley North is currently delivering a net income to the Council of c. £125k p.a. (from car parking and a commercial unit). In the case of Beckenham, because the car park is not at capacity, it can be considered that using part of the car park for site development would not result in any loss of income to the Council, a net nil position. For both Bromley North and Beckenham, there is no backlog maintenance liability.
- 6.5. In the case of Poverest, there is a backlog maintenance liability of c. £3m. It has been calculated that, if the site were to continue in current use, and the Council had to finance the maintenance works, there would be a net additional cost of £247k p.a. incurred through financing the maintenance works.
- 6.6. Manorfields and Bellegrove are currently providing 52 and 39 temporary accommodation units respectively. Manorfields has a backlog maintenance liability of c. £3.7m, and Bellegrove has a backlog maintenance liability of c. £3.5m. The sites are currently running at a net operating cost of £126k and £245k respectively, but are delivering savings (against current rates of temporary accommodation placements) of £407k and £183k respectively. If the Council were to finance the backlog maintenance for each site, it has been calculated that the net annual cost (including TA savings) to the Council for Manorfields would be £78k p.a. and Bellegrove £393k p.a.

b) Development appraisal

	Bromley North	Beckenham	Poverest	Manorfields	Bellegrove	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Housing Development appraisal						
Potential number of social housing units (no.)	38	40	45	46	56	225
Total Capital Costs	25,500	15,200	20,500	19,500	23,200	103,900
Net Capital Cost (External Borrowing requirement)	3,996	8,240	12,670	11,496	13,456	49,858
Capital req. per affordable unit	105	206	282	250	240	222
Total initial net cost/(benefit) (incl savings)	-140	-10	300	527	294	972
Net cost / (income) after financing per affordable unit *	2	8	15	13	12	10
Net cost / (income) inc. savings and income loss per unit	-4	0	7	11	5	4
Net present value savings (-) / cost (+) over 40 years	-7,370	-6,936	50	10,314	-266	-4,208

- 6.7. The above table shows that the five sites have an estimated total capital cost of £103.9m to deliver affordable housing schemes (before application of GLA and other grants, and private sale receipts in the case of Bromley North). The net capital financing requirement, which is the amount of financing which the Council may have to use external borrowing to finance, would be approximately £49.9m. This would deliver a total of 225 social housing units at a capital requirement per unit of £222k.
- 6.8. The table further shows that in the first full year of operation (Total initial net cost/(benefit) (inc savings)), the Bromley North and Beckenham sites would be expected to deliver savings from year 1 of £140k and £10k respectively, whereas the three other sites would initially result in a net cost to the Council. The initial net cost / (income) per affordable unit is then shown for each site, firstly after financing costs are considered, and secondly after considering the existing use for each site and the savings on temporary accommodation costs through the new units provided.
- 6.9. The last line in the table shows the indicative Net Present Value of each prospective development to the Council over a 40-year period, using discounted cash flows. This shows that Bromley North, Beckenham and Bellegrove would deliver positive financial contributions to the Council of £7,370k, £6,936k and £266k, whereas Poverest and Manorfields would incur net costs of £50k and £10,314k over the 40 year period. This indicative analysis is sensitive to changes in future inflation and rent levels.

c) Disposal of sites

	Bromley North	Beckenham	Poverest	Manorfields	Bellegrove	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Disposal						
Net capital receipt (net cost (+))	-5,000	-900	1,530	-2,900	-1,250	-8,520
Net cost / (income) after capital receipt	-225	-109	33	71	-70	-300

- 6.10. The five sites could be expected to deliver a net capital receipt of £8,520k if disposed of on the open market. In the case of Poverest, the negative figure of £1,530k reflects that fact that if the land surrounding the Adult Education Centre were to be sold to a developer (at an estimated receipt of £1,470k), the Council would then still need to incur the backlog maintenance costs of £3m on the AEC itself.
- 6.11. The second line in the table considers the overall annual benefit to the Council of disposing of each site, taking into account the annual interest earned on a capital receipt, the saving or cost from loss of each site in existing use, and the saving that could be achieved through nomination rights on social housing that could be secured on each site through planning agreements.

HRA financial implications

- 6.12. In July 2020 Council approved the setting up of a Housing Revenue Account (HRA) for the provision of affordable housing. The Council currently has an exemption from the Secretary of State to hold up to 199 properties in the General Fund rather than in the HRA, which has meant that the Council has not yet had to re-open the HRA.
- 6.13. If the Bromley North and Beckenham schemes are approved to proceed, the Council will still be under the 200 unit threshold and therefore can continue to hold the units within the General Fund. If, however, all five schemes detailed on this report were to proceed, delivering a total of 225 additional social housing units, then the threshold for re-opening the HRA would have been reached, and the Council will need to consider the detailed implications of this upon the HRA.
- 6.14. The Council cannot budget for a deficit in the HRA for any financial year and the General Fund cannot subsidise the HRA without a Secretary of State Direction. This poses a challenge for schemes where losses will be delivered in early years, before savings can be realised in later years. Furthermore, temporary accommodation is defined as a General Fund cost, so it will not be possible for the benefit of savings on TA to be recognised within the HRA. Also, any appropriation of land from the General Fund to the HRA will have to be assessed as to what, if any, transfer of funds must be made to compensate the

General Fund for the loss of that land, in accordance with the ring-fencing principle that there should be no cross-subsidy between the HRA and General Fund.

Scheme specific financial implications

Bromley North

6.15. The report recommends the addition of the Bromley North Scheme to the Capital Programme, at an estimated gross capital cost of £25.5m. As part of the financing of this scheme, the report recommends the allocation of £515k of S106 funding towards the affordable housing element of the Bromley North Scheme, and the acceptance of the £720k grant from the BLRF. The breakdown of the estimated total scheme cost of £25.5m, and the financing, is set out in the table below.

	£m
Costs	
Construction	21.0
Contingency	2.1
Professional fees	1.9
Mayoral CIL	0.2
Borough CIL	0.3
Total costs	25.5
Financing	
GLA grant	-8.0
S106	-0.5
BLRF	-0.7
Private sale receipts	-12.3
External borrowing	-4.0
Total financing	-25.5

Beckenham

6.16. The report recommends the addition of the Beckenham Scheme to the Capital Programme, at an estimated gross capital cost of £15.2m. The costs and financing of the scheme can be summarised as follows:

	£m
Costs	
Construction	9.6
Contingency	1.4
Professional fees	1.1
Road adoption	0.8
Landscaping	0.8
Legal inc. Planning	0.9
Project Mgt	0.7
Total costs	15.2
Financing	
GLA grant	-7.0
External borrowing	-8.2
Total financing	-15.2

Bellegrove,

- 6.18 This report recommends approval, in principle as set out in paragraphs 3.27 – 3.29, for proceeding to procurement for multi-disciplinary consultancy services for RIBA Stages 2 to 7 for the Bellegrove Scheme at an estimated whole life value of £1.5m. In order to finance this, this report requests approval for feasibility funding (from the Housing Investment Fund) for sites now added to the capital programme (West Wickham, Bromley North and Beckenham) to be ‘refunded’ from the relevant capital budgets.

7. PERSONNEL IMPLICATIONS

- 7.1. Additional staff to support the delivery will be required and will be funded from within the costs of schemes.

8. LEGAL IMPLICATIONS

Procurement

- 8.1 Executive are asked to approve recommendations at 2.1 - 2.14. The Council entered a funding contract with the GLA in March 2022 (following Executive Approval HPR2022/006) to support the delivery of good quality, affordable accommodation within the borough.
- 8.2 The Housing Act 1985 governs the Council’s responsibility to review housing needs, provide housing, develop and appropriate land. In addition, the Council has both an implied and a specific power under section 111 of the Local Government Act 1972 to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.
- 8.3 The Council further has the general power of competence to do anything an individual could do under section 1 of the Localism Act 2011 together with the Council’s local Regeneration and Housing policies. Where commercial activities are proposed in relation to the sale of properties being the predominant motive, the effect of section 4 of the 2011 Act may require this is done through a separate corporate commercial entity. There may be certain advantages and drawbacks for using a separate entity for this purpose and officers should seek full legal advice on this issue.
- 8.4. Any procurement of works and services are likely to be a public contract within the meaning of the Public Contract Regulations 2015 (Regulations) due to the estimated values outlined in this report and will need to comply with the Regulations and principles of equality, transparency and non-discrimination.
- 8.5 The Council’s Contract Procedure Rules (CPR) set out the requirements for the use of frameworks at CPR 3.5 and the award procedure at CPR 8.2 and must be complied with.
- 8.6 The Council will also need to adhere to and comply with all GLA and BLRF requirements.

Housing Revenue Account (“HRA”)

- 8.7 The Local Government and Housing Act 1989-part VI deals with the operation of the HRA as a separate ringfenced account.
- 8.8 There is no power to provide subsidy from the General Fund to the HRA to make a scheme financially viable to the HRA. However, under section 78 and item 9, part 1 of schedule 4 of the Local Government and Housing Act 1989 the Secretary of State has authority to issue specific Directions with regards to HRA accounting which allows for the flexibility to transfer resources between accounts. On initial discussions with DLUH this is likely to be available only as a short term measure.

Appropriation

- 8.9 In relation to recommendation 2.12 dealing with a delegated authority to appropriate land for planning purposes the following provisions should be considered

- 8.10. The purpose of an appropriation for planning purposes is to ensure that any redevelopment may benefit from the power in section 203 of the Housing and Planning Act 2016 to override all third-party rights including covenants and easements. The Act enables public bodies to implement this power where the demonstration of the use is in the public interest and proportionate to the end being pursued.
- 8.11. The Council in developing its proposals will need to give due consideration to the third-party rights that are likely to be affected or injured as a result of any proposed redevelopment. The Council's legal advisers and consultants will need to review the rights of adjoining property owners to identify if there are any potential rights including but without limitation to rights of light and injuries caused because of the redevelopment. A right to light survey may need to be completed to identify whether any rights may have been infringed and the potential costs for injuries identified.
- 8.12. In order to use this power, the Act requires the Council to demonstrate a public interest and benefit.
- 8.13. The Council will need to demonstrate that the appropriation of the site(s) for planning purposes will generate substantial public benefits which will far outweigh any injuries to the private rights of third parties.
- 8.14. Appropriation of land for planning purposes will prevent any injunctions being sought by a party whose right may be interfered with and thereby preventing and delaying the proposed development. It will also ensure that the commercial and market attractiveness of the scheme is not diminished by the existence of injunctive rights which can frustrate the development.
- 8.15. The redevelopment proposals will need to be rigorously tested for its impact on the sunlight and daylight levels in the surrounding properties as is required by planning policies.
- 8.16. The proposed redevelopment will need to pay due regard to privacy, overlooking and impact on live - ability and quality of life of the surrounding residents as is required by planning policies.
- 8.17. Overall, the redevelopment will need to satisfy that there is no detrimental impact to the surrounding residents and that the re-development will regenerate the site with a significant need for investment and that the upgrade will start to address some of the long-standing socio-economic problems faced by the surrounding local area and will significantly enhance the quality of the build environment of the surrounding area and will provide much needed housing both affordable and private and as a result improve the life chances of the area's current and future residents.
- 8.18. Accordingly, the test to be met is that it is in the public interest and benefits will be generated by the redevelopment and regeneration far outweighs the potential infringement the scheme will cause to the private rights of third parties.

Human Rights Act 1998

- 8.19. The Human Rights Act 1998 in Article 1 of Part II- The First Protocol states:
 - 8.2 "The Council must believe that there is a compelling case in the public interest for the land to be appropriated".
- 8.21. The Act places an obligation on public bodies such as the Council to demonstrate that the use of powers such as appropriation is in the public interest and is proportionate to the end being pursued.
- 8.22. It is accepted that appropriating the land for planning purposes will infringe private rights, however the Council must make a case that it considers this wholly justified on grounds of public interest and promotion of economic, social and environmental well-being. In any event any injured party will have the right to claim appropriate compensation for their injuries.

- 8.23. A case will have to be made that promoting the redevelopment has the highest levels of need for physical regeneration which delivers high quality affordable housing and environmental design and is considered to be consistent with the principles of good public administration.

Notice of Appropriation Section 122 Local Government Act 1972 (“the Act”)

- 8.24. The Act requires that the Council give notice of its intention to appropriate of land for two consecutive weeks in a newspaper circulating in the area in which the land is situated, and the Council must consider any objections to the proposed appropriation which may be made to it.
- 8.25. Appropriation to the HRA is specifically dealt with in section 19(1) of the Housing Act 1985 (the 1985 Act):

9. PROCUREMENT IMPLICATIONS

- 9.1. This report sets out and seeks approval for several specific procurement decisions relating to the progression of the various schemes covered by this report. The various decisions being sought are, in the main, subject to other considerations such as planning, financial viability assessments some of which will require further decisions as appropriate before full implementation of the various proposals.

Bromley North Scheme

- 9.2. The first decision sought for Bromley North is to award a contract to provider named in the Part 2 Report for multi-disciplinary consultancy services for RIBA Stages 3b to 7 at an estimated whole life value detailed in the Part 2 Report via a suitable Crown Commercial Services Framework set up for this purpose.
- 9.3. In accordance with Clause 3.5 of the Contract Procedure Rules, the Head of Procurement has been consulted regarding the use of the Framework. The Council is able to make use of the Framework and has been properly included on the Contract Notice. This award process has been carried out within the guidelines of the framework.
- 9.4. As the contract value is over £30k including VAT, an award notice will need to be published on Contracts Finder. As the contract value is over the thresholds set out in the PCR 2015, a Find A Tender award notice must be published. A voluntary standstill period will need to be observed.
- 9.5. The Council’s specific requirements for authorising an award of contract of this value are covered in CPR 16 with the need to obtain the Approval of Executive in Agreement with the Chief Officer, the Assistant Director Governance & Contracts, the Director of Finance and the relevant Portfolio Holder. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.
- 9.6. The report also sets out an intent to procure additional services for Cost and Project Management, the estimated value being £390k in total. Separately, a Gateway Officer report should be completed in consultation with the Corporate Procurement Team, Finance & Legal to set out the detail and proposed route for those procurements with the relevant Officer approvals before commencement.
- 9.7. The second decision sought for Bromley North is approval to proceed to procure for enabling works at an estimated value of £720k. In addition, a waiver is sought to allow a closed tender process (if a framework is not used) rather than an open or restricted tender process as is normally required under the CPR for contracts with a value of £100k or higher.
- 9.8. This is a works contract, and the value of this procurement falls below the thresholds set out in Part 2 of the Public Contracts Regulations 2015, so is only subject to Part 4 of the Regulations. A closed tender process is in compliance with the Regulations.

- 9.9. As per 8.2.1 of the Council's Contract Procedure Rules, this procurement must make use of public advertisement, and therefore must also be advertised on Contracts Finder.
- 9.10. The procurement must comply with PCR 2015 principles of transparency and equal treatment. Any time limits imposed, such as for responding to adverts and tenders, must be reasonable and proportionate.
- 9.11. The Council's specific requirements for authorising proceeding to procurement are covered in 1.3 of the Contract Procedure Rules with the need to obtain Approval from the Portfolio Holder with the formal Agreement of the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance for a procurement of this value. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.
- 9.12. In compliance with the Council's Contract Procedure Rules (Rule 3.6.1), this procurement must be carried out using the Council's e-procurement system.
- 9.13. This report only sets out a high level overview of the planned procurement of this requirement. Separately, a Gateway Officer report should be completed in consultation with the Corporate Procurement Team, Finance & Legal to set out the detail and proposed route for this procurement once it is known.
- 9.14. The third decision sought for Bromley North is approval in principle to proceed to procure for a Design & Build works contract at an estimated value of £21m. Delegated authority is sought to the relevant Chief Officer to approve the detail of the procurement strategy, subject to agreement from the relevant Officers and Portfolio Holder.
- 9.15. Due to the estimated contract value and the classification of the contract as a works contract, the procurement process shall comply with the Public Contracts Regulations 2015 for an above threshold procurement process.
- 9.16. The Council's specific requirements for authorising proceeding to procurement are covered in 1.3 of the Contract Procedure Rules with the need to obtain Approval from Executive with the formal Agreement of the Chief Officer, Assistant Director Governance & Contracts, the Director of Corporate Services, the Director of Finance and the Portfolio Holder for a procurement of this value. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.
- 9.17. In compliance with the Council's Contract Procedure Rules (Rule 3.6.1), this procurement must be carried out using the Council's e-procurement system.
- 9.18. Under the delegated authority sought, a Gateway Officer report should be completed in consultation with the Corporate Procurement Team, Finance & Legal to set out the detail and proposed route for this procurement once it is known with the relevant Officer and Portfolio Holder approval and agreement before commencement.

Beckenham Scheme

- 9.19. The decision sought for Beckenham is approval in principle to proceed to procure multi-disciplinary consultancy services for RIBA Stages 3b to 7 at an estimated whole life value of £669k via a compliant framework or tender route. Delegated authority is sought to the relevant Chief Officer to approve the detail of the procurement strategy, subject to agreement from the relevant Officers and Portfolio Holder.
- 9.20. Due to the estimated contract value and the classification of the contract as a services contract, the procurement process shall comply with the Public Contracts Regulations 2015 for an above threshold procurement process.
- 9.21. The Council's specific requirements for authorising proceeding to procurement are covered in 1.3 of the Contract Procedure Rules with the need to obtain Approval from the Portfolio Holder with the formal Agreement of the Chief Officer, Assistant Director Governance & Contracts, the Director

of Corporate Services and the Director of Finance for a procurement of this value. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.

- 9.22. In compliance with the Council's Contract Procedure Rules (Rule 3.6.1), this procurement must be carried out using the Council's e-procurement system.
- 9.23. Under the delegated authority sought, a Gateway Officer report should be completed in consultation with the Corporate Procurement Team, Finance & Legal to set out the detail and proposed route for this procurement once it is known with the relevant Officer and Portfolio Holder approval and agreement before commencement.
- 9.24. The report also sets out an intent to procure additional services for Cost and Project Management, the estimated value being £167k in total. Separately, a Gateway Officer report should be completed in consultation with the Corporate Procurement Team, Finance & Legal to set out the detail and proposed route for those procurements with the relevant Officer approvals before commencement.

Bellegrove Scheme

- 9.25. The decision sought for Bellegrove is approval in principle to proceed to procure multi-disciplinary consultancy services for RIBA Stages 2 to 7 at an estimated whole life value of £1.5m via a compliant framework or tender route. Delegated authority is sought to the relevant Chief Officer to approve the detail of the procurement strategy, subject to agreement from the relevant Officers and Portfolio Holder.
- 9.26. Due to the estimated contract value and the classification of the contract as a services contract, the procurement process shall comply with the Public Contracts Regulations 2015 for an above threshold procurement process.
- 9.27. The Council's specific requirements for authorising proceeding to procurement are covered in 1.3 of the Contract Procedure Rules with the need to obtain Approval from the Executive with the formal Agreement of the Chief Officer, Assistant Director Governance & Contracts, the Director of Corporate Services, the Director of Finance and the Portfolio Holder for a procurement of this value. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.
- 9.28. In compliance with the Council's Contract Procedure Rules (Rule 3.6.1), this procurement must be carried out using the Council's e-procurement system.
- 9.29. Under the delegated authority sought, a Gateway Officer report should be completed in consultation with the Corporate Procurement Team, Finance & Legal to set out the detail and proposed route for this procurement once it is known with the relevant Officer and Portfolio Holder approval and agreement before commencement.
- 9.30. The report also sets out an intent to procure additional services for Cost and Project Management, the estimated value being £383k in total. Separately, a Gateway Officer report should be completed in consultation with the Corporate Procurement Team, Finance & Legal to set out the detail and proposed route for those procurements with the relevant Officer approvals before commencement.
- 9.31. The actions identified in this report are provided for within the Council's Contract Procedure Rules, and the proposed actions can be completed in compliance with their content.

10. PROPERTY IMPLICATIONS

- 10.1 Bromley North – this is currently an operational asset for the Council maintained as a public car park, with commercial lettings also producing an investment income. If planning consent is granted in October 2023, then instructions will need to be forthcoming to the Property Team to enable vacant possession to be secured to enable the development. The timescales for doing this will need to be factored into the

development programme and the loss of income reflected in the relevant budget areas from the date of vacant possession.

- 10.2. Beckenham Triangle – this is currently an operational asset for the Council maintained as a public car park. If planning consent is obtained, then instructions will need to be forthcoming to the Property Team to enable vacant possession to be secured to enable the development. The timescales for doing this will need to be factored into the development programme and the loss of income reflected in the relevant budget areas from the date of vacant possession.
- 10.3. Other sites – the three other sites that this report relates to include Bellegrove, Manorfields and Poverest. All three of these sites are operational assets owned by the Council and until such time that they are vacated and deemed surplus to requirements the Council has an ongoing legal obligation to keep these assets operational and fit for purpose. Therefore, budget may be required to clear elements of required repairs and/or maintenance during the period whilst these sites go through the feasibility process to determine whether they should be bought forward for the delivery of affordable housing, and therefore it is not possible to avoid ongoing expenditure at these sites in the interim. It is therefore important that the Property Team is briefed on a regular basis as feasibility studies progress so that decisions can be made on the appropriate repairs and maintenance works undertaken that reflect best value to the Council in the knowledge of the likely direction of travel as the feasibility studies advance.
- 10.4 The Council has an agreed methodology for ascertaining whether a Council owned site should be recommended for the self-delivery of affordable housing after its initial identification as site for consideration. For the three sites noted in 10.3 above, this process will now need to be followed before a further report comes forward to the Executive Committee to provide the outcome of that feasibility work and the cost/benefit analysis of the self-delivery of affordable housing vs. the other options considered which include maintaining the sites as operational, disposing of them in part or whole, and/or other options as appropriate. The Property Team will need to be involved in these discussions throughout to feed into that methodology and support papers going through the relevant Programme Boards (Housing Planning Property & Regeneration Board and Corporate Landlord Board) which take place prior to further Executive Committee reports being bought forward.

11. CARBON REDUCTION/SOCIAL VALUE IMPLICATIONS

- 11.1. Consideration to Carbon Reduction and Social Value will be considered throughout the duration of the projects, including the tender of the main works construction contract via the inclusion of necessary quality criteria to ensure that Carbon Reduction and Social Value has been considered.

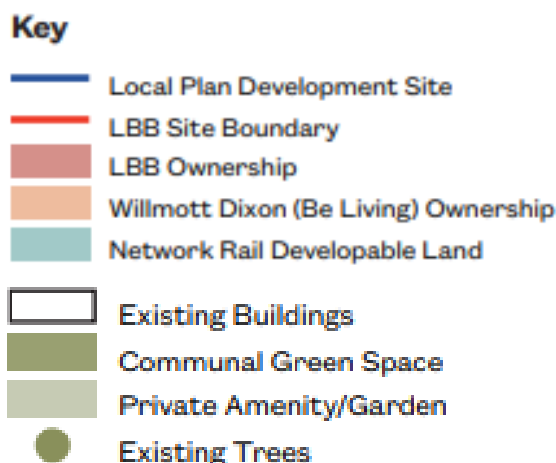
12. IMPACT ON HEALTH AND WELLBEING

- 12.1. The delivery of affordable homes for Bromley residents will have a positive impact on health and wellbeing.

Background Documents: (Access via Contact Officer)	N/A
---	-----

Appendix A – Bromley North

Bromley North, Station Road Car Park is approximately 0.283 hectares and is currently used as a public car park, providing 83 parking spaces. The site has a PTAL rating of 6a which indicates that it has very good public transport connectivity. The site also includes an MOT garage and storage unit at the south end, both of which are on short leases. An existing UKPN sub station is also situated on site, adjacent to the MOT garage. At the edges of the site, there are some self-seeded trees and shrubs, however, the majority of the site is hard standing which is in poor condition. Please see site and ownership plan below for more detail.



Map of Site Ownership

The scheme consists of two villa-style blocks comprising a total of 75 units. The buildings are arranged as two separate blocks of similar scale and massing. Both blocks establish a four-storey datum along Station Road, rising up to six storeys in total with setbacks on the fourth and fifth levels. The design is sympathetic to the locality, as well as maximising the density of the site. Block one comprises 38 affordable units, whilst block two comprises 37 units for market sale. This design was based on discussions with colleagues in Housing to include additional larger units, to help meet current housing need. The proposed tenure mix is as follows:

	Block 1 Affordable	Block 2 Private
1-bed, two-person	17	18
2-bed, four-person	11	17
3-bed, five-person	10	2
Total	38	37
Commercial Units	1	2

The site was submitted for Planning in April 2023, planning reference number: 23/01547/FULL1.



Indicative View from Station Road, North



Indicative view – North Side Road, North

Appendix B - Beckenham Car Park Site

The site is a back-land plot located between commercial and community buildings in a town centre setting in Beckenham. It is kite-shaped in plan and measures some 0.11 hectares in area. Surrounding uses are non-residential. The site is flanked by a 7-storey office building, leisure centre and small office premises. The site is bounded on one edge by at-grade railway lines, across which it enjoys good aspect to the north and west and a visual link to suburban housing beyond. Access from the adjacent high street is across private/ council owned land and lacks segregated footways.



Demise for development



The site has been developed up to RIBA Stage 3a and is ready to be submitted to planning, subject to undertaking sufficient public consultation. The scheme comprises 40 affordable units across seven storeys, which step down to six at the southern end of the development. The building includes a community facility located at the southern end of the plan, designed to provide maximum prominence from Beckenham Road and on approach to the building.

The proposal includes a shared garden with children's play, which is accessed directly from the residential core. The upper floors have been configured into a T-plan form to enable the buildings frontage to be pulled back from the southern boundary, where the railway line is located. Careful consideration has been given to the external aesthetic of the design to ensure it is sensitive to the site's heritage context and is reflective of the character of its location.

Appendix C - Bellegrove

The site is rectangular in plan and located between healthcare, and community buildings in a suburban setting. There is an expansive recreation ground to the South. The site measures some 0.69 hectares in area and slopes up along the southern and eastern edges, with level ground at the corner of Mickleham Road and Goose Green Close. Surrounding uses are non-residential to the north and east and is flanked by a cul-de-sac of two storey houses to the west. The site benefits from expansive views due to the low density of the surrounding area, as well as street frontage on three sides.

Illustration shows site demise for potential development



Image below, shows current site



Initial feasibility has demonstrated opportunity to develop site into 56 dwellings comprising of one bed garden flats (20), two bedroom mews houses (26), and 3 bedroom terraces (10), all massed in terraces of four separate buildings with pitched roofs.

A central shared amenity space, providing refuse and cycle parking for 102 spaces, and a children's play area would also be provided in the centre of the site.

Off street parking (49 spaces) would be provided, and arranged along the edge of the existing access roads,

Appendix D- Manorfields

The site is located in a residential part of Orpington. It is broadly square in form, and bounded on two sides by roadways. Avalon Road on its southern edge is the main frontage. The cul-de-sac of Leeds Close bounds its western edge and provides access to Manor Fields behind, eight bungalows providing homes for older people set in shared landscaping. The site is occupied by the vacant, former Manorfields Care Home, a collection of mostly single-storey blocks arranged in a loose quadrangle form. Surrounding development is low-density suburban, comprised predominantly of semidetached houses and bungalows on wide plots, dating from mid to late 20th Century. To the west of the site are school playing fields with the Beacon Academy beyond. The site benefits from good aspect and access



Illustration shows demise of current site.

Photographs below of current site



Initial feasibility has demonstrated the site could be redeveloped to provide 37 dwellings, comprising of 13x1 beds, 12x 2 beds and 11x3 beds.

The dwellings would be houses and mews apartments, with the main terraces arranged the along the primary Avalon Road frontage, which would be sympathetic to the residential area around.

A central shared landscape area would provide a children's play area and amenity space. Larger, three bed family homes would be arranged to the rear of the plot, providing an option for second entrance via Manor Fields if needed.

Appendix E- Poverest Adult Education

The site is approximately 1.176 hectares and consists of an adult education centre with a car park that is surrounded by green space. The Council also owns a small adjacent site which will be included within the red boundry. The site is accessed through Church Hill Wood and Tillingbourne Green with minimal pedestrian access. The site is actively used by residents in the community. There are no Tree Preservation Orders and the site is not within a Conservation Area. The site is enclosed by industrial fencing. The green space is underutilised and unwelcoming—partly due to the fencing. be in a landscaped setting. The current educational facility is in one tired building. The smaller building on the site is no longer usable due to its poor condition. The buildings are set back and lack visibility in the community. The vehicle access to the site is narrow, difficult to manoeuvre and lacks visibility. There are limited pedestrian routes on to the south of site.

Illustration shows potential demise of development.

Photographs below shows existing entrance to Adult Education site.



Initial feasibility has demonstrated the ability to reprove the Adult Education Facility in a purpose built development as well as develop 45 dwellings on the site, comprised of 11x 1 beds, 19x 2 beds, and 15x 3 beds. The entrance to the homes would be provided from Tillingbourne Green, making a safe entrance, as well as school time entrance onto Poverest Road, reducing the need for traffic on Tillingbourne Green during school operating hours.