

## **TOWN CENTRE WEST RESIDENTIAL STRATEGY**

### **Report of the Corporate Director for Place Management & Regeneration**

#### **1. PURPOSE OF REPORT**

- 1.1 This purpose of this report is to accelerate Brownfield First delivery in relation to a number of development opportunities to the west of the town centre including Weir Mill and sites within the Rail Station Masterplan.
- 1.2 The approach set out in this report relates to the use of tools and powers at the Council's disposal and is consistent with the Brownfield First approach and the emerging Town Centre Living Development Framework and Town Centre Living Scrutiny Review.
- 1.3 The report also seeks to gain resolution to use Compulsory Purchase powers, if required, for the delivery of key schemes within the area including Weir Mill.

#### **2. BACKGROUND**

- 2.1 The Brownfield First approach set out to Economy & Regeneration Scrutiny Committee in March 2017 emphasised the Council's determination to optimise the development potential of brownfield sites while ensuring quality of development and avoiding over-development of the existing urban area.
- 2.2 The town centre presents a major opportunity for brownfield development in support of a wider residential agenda which comprises developing the residential market, creating quality new homes across a range of different types and tenures, and increasing and diversifying the town centre population to support the wider retail, leisure, business and community offer in the town centre.
- 2.3 In addition, the Rail Station Masterplan approved by Executive in February 2016 identified the potential of the western part of the town centre for mixed use redevelopment that could include a high quality residential quarter.
- 2.4 The report is an advance output of the ongoing Town Centre Living Development Framework which will be presented in depth to both Economy & Regeneration and Housing & Communities Scrutiny Committees in June 2018.

#### **3. ACCELERATING DELIVERY**

- 3.1 The current nature of the town centre housing market, and the opportunities and barriers to delivery, are well known. The need for a critical mass of development to help unlock investment at scale is constrained by a viability gap which prevents the market from bringing forward development in the right locations of the right quality and with the appropriate amenity and supporting social infrastructure.
- 3.2 The issue is further complicated by a barrier to large scale site assembly posed by fragmented land ownerships and landowners' value aspirations.

- 3.3 The emerging Town Centre Living Development Framework sets out a vision for how an enhanced town centre residential offer can be delivered and how delivery can be accelerated. It comprises the following priorities and interventions:
- Direct Intervention in Exemplar Schemes
  - Town Centre West Regeneration Area
  - Town Centre Design Guide
  - Review of Town Centre Planning Policies
  - Planning and Delivering Town Centre Amenities
- 3.4 The emerging Town Centre Living Development Framework is responsive to the opportunities for residential development in Stockport as well as the barriers including infrastructure provision, fragmented land ownership and environmental considerations.
- 3.5 In order to unlock residential growth in Stockport a range of delivery vehicles are being considered including working with the Greater Manchester Mayor to explore the feasibility of creating a Mayoral Development Corporation with a range of powers and funding to bring forward development at scale. This issue has been discussed with the GM Mayor's office and the Mayor made a commitment to explore its feasibility over the coming months at a Town Centre Living event in Stockport on 21<sup>st</sup> March.
- 3.6 Further work is being undertaken with CBRE and Local Partnerships on how this could be structured and this will lead to a stakeholder discussion in May/June.

#### **4. DEVELOPMENT OPPORTUNITIES**

- 4.1 There are six main sites (some of which are groups of sites) that currently make up the 40 acres of the Town Centre West Residential area.
- 4.2 The boundary for the area is shown in Appendix One but this is indicative only at this stage and will be subject to finalisation as the work develops.
- 4.3 The plan illustrates how the sites closely interrelate, forming a corridor from the River Mersey up King Street West to the Railway Station. These sites are in a highly sustainable location being served by two major public transport hubs – the Railway Station and the proposed new Interchange. They are very close to employment areas and social and community facilities. The sites have good access to Junction 1 of the M60 and benefit from open space along the River Mersey and Trans Pennine Trail.
- 4.4 In the long term this area has capacity to accommodate up to 3,000 new homes making a major contribution to the Town Centre Living strategy. The control the Council is able to bring through ownership, design guidance, planning and regulatory systems and funding will help to ensure a quality offer in both design and management.
- 4.5 A summary update on each group of sites is provided below. With the exception of the Kwik-Fit site, the sites are all part of the wider Rail Station Master Plan (2015).

#### 4.6 Weir Mill Complex

This private sector led scheme proposes to create a high quality new riverside residential offer of some 300 homes using the unique heritage of this listed building complex. The scheme involves a mixture of sensitive building conversions and associated new build. This project has received in principle £5.617m Housing Infrastructure Fund support to help overcome the costs associated with the heritage elements. This could be an earlier scheme to come forward within the Town Centre West area and would act as a trigger for neighbouring sites.

The Council is working with the owner to bring this scheme forward within the next two years to enable the funding to be used. Local Partnership, a consultancy working for GMCA, have advised on a number of options as to how the scheme can be delivered this scheme which will be worked through with the site owner.

#### 4.7 Stockport Interchange

This scheme will deliver up to 200 high quality residential units as part of mixed use transport interchange scheme delivered by Transport for Greater Manchester with the Council input as owner of the freehold interest in the site. The residential element will be sited on a podium above the new interchange with an associated green park membrane. The wider scheme also includes pedestrian links, a separate bridge crossing and ground floor commercial and community uses. The residential element will offer a desirable and benchmark quality product which is not currently available. The scheme has received in principle support from the £2.6m Housing Infrastructure Fund. The project team continue to work bring the project forward and draw down the funding within the funding timescales.

#### 4.8 Stagecoach Depot & Offices

Three plots make up this area, which form an important part of the jigsaw for the lower end of the Town Centre West area. In particular the relocation of the bus depot would make a big difference to the area's desirability. Together these plots have the capacity to unlock up to 700 new homes. The current focus is to support Stagecoach in assessing viable relocation options.

#### 4.9 Chestergate / King Street West

This site by the riverside is at concept stage and has potential to accommodate up to 100 new homes. Discussions are on-going with the owner to try to align aspirations for the site to be used for residential.

#### 4.10 Other Rail Station Master Plan Sites

Within the mixed use proposals for the Rail Station Masterplan are seven potential plots that could accommodate residential use. Collectively these could amount to some 790 units. These sites have long term potential. TfGM are currently revisiting the Master Plan. Feasibility for sites that require relocation, such as the Fire Station, is being progressed through the One Public Estate work

#### 4.11 Kwik-Fit

This riverside site sits on a prominent corner opposite Weir Mill. It is highly visible and accessible. There is potential for some 35 units or for a mixed use scheme. Options are being investigated.

#### 4.12 The remainder of the area is in a number of different ownerships and can deliver both residential and employment uses under the proposal.

## **5. RESOURCE IMPLICATIONS**

- 5.1 Funding to help overcome cost barriers to development of these Brownfield sites is an essential element to unlocking the area's potential.
- 5.2 To date two awards under the Housing Communities Local Government's Housing Infrastructure Fund (HIF) have been made for £8.2m grant for the Interchange and Weir Mill schemes. Further financial clarification and a project assurance process will commence from April 2018 onwards. It is time critical that delivery plans are developed sufficiently to enable the Council to secure this funding and progress the schemes in the timescale set out within the HIF bids.
- 5.3 Other funding sources, including a potential GM Housing Deal, will continue to be investigated to help release other Town Centre West sites where a case can be made.

## **6. WAY FORWARD**

- 6.1 The full Town Centre Living Development Framework will be presented to Scrutiny in June 2018, however there is a pressing need to accelerate delivery in relation to brownfield sites to take full advantage of the Housing Infrastructure Funding that has been allocated to Stockport.
- 6.2 There is a need to make full use of the various tools available to the Council to support the unlocking of the Town Centre West sites. Time critical, and crucial to this process, is the requirement to meet the HIF funder's timetable to ensure that the grant is fully approved and committed. It is therefore imperative that there is confidence around the development and delivery of the HIF supported sites. This will also be the case if any further funding is secured to support Town Centre West sites.
- 6.3 To achieve certainty of deliverability it is requested that approval is given to pursue acquisition, and if the market cannot bring the sites forward within the requisite timescales and subject to there being a demonstrable business case, that approval is given in principle to proceed with Compulsory Purchase Order(s)..

## **7. RECOMMENDATIONS TO THE CABINET**

- 7.1 That the Cabinet resolve to make full use of the various tools available to the Council to support the unlocking of the Town Centre West sites.
- 7.2 That the Cabinet approve the use of Compulsory Purchase powers, if required, for the delivery of key schemes within the Town Centre West Residential area including Weir Mill to secure the HIF funding.
- 7.3 That the Cabinet delegate responsibility to the Corporate Director for Place Management & Regeneration in consultation with the Portfolio Holders for Economy & Regeneration and Housing and Communities to utilise powers of the Council in relation to CPO and unlocking Brownfield delivery as outlined in this report.

## **8. RECOMMENDATIONS TO THE SCRUTINY COMMITTEES**

8.1 The Scrutiny Committee is invited to comment on the report.

### **BACKGROUND PAPERS**

Appendix 1 - Aerial View of the Indicative Town Centre West Residential Strategy Area

Anyone wishing to inspect the above background papers or requiring further information should contact Paul Richards on Tel: 061-474-2940 or by email on [paul.richards@stockport.gov.uk](mailto:paul.richards@stockport.gov.uk)