

**MANCHESTER CITY COUNCIL
REPORT FOR RESOLUTION**

COMMITTEE: Community Regeneration and Overview
Scrutiny Committee

Executive

DATE: 24th May 2006

31st May 2006

SUBJECT: Birley Fields Strategic Review - Hulme

REPORT OF: Deputy Chief Executive (Regeneration)

PURPOSE OF THE REPORT:

To outline the findings of public consultation on the Birley Fields Strategic Review and agree the next steps.

RECOMMENDATIONS:

Committee is recommended to:

1. Note the findings of the Birley Fields public consultation.
2. Approve in principle the Development and Land Use Strategy for the Birley Fields Study Area as part of on-going work in connection with the Central Spine site and the wider Oxford Road Corridor study.
3. Agree to the remaining actions required to progress the development of the Birley Fields Study Area as set out in Section 8 of this report.

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BACKGROUND PAPERS

Birley Fields Strategic Review - Hulme, Report of the Chief Executive (Regeneration) to Community Regeneration & Overview Scrutiny Committee, **8th February 2006** and to Executive, **15th February 2006**

FINANCIAL IMPLICATIONS:

- (a) Revenue – None.
- (b) Capital – None at this stage.

WARDS AFFECTED:

Hulme

IMPLICATIONS FOR:

Anti-poverty	Equal Opportunities	Environment	Employment
Yes	Yes	Yes	Yes

1.0 Introduction

- 1.1 Members will recall considering a report outlining the findings of the Birley Fields Strategic Review in February 2006. Community Regeneration Overview and Scrutiny Committee approved the report and its recommendations. Executive agreed that the item be deferred to the next appropriate meeting to enable detailed consultation with local residents to take place.
- 1.2 A programme of consultation took place in March and the purpose of this report is to present the findings and agree the next steps.

2.0 The Birley Fields Strategic Review

- 2.1 Manchester City Council appointed Jones Lang LaSalle (JLL) to undertake a Scoping Report and Strategic Review of the Birley Fields Study Area in December 2004. The aim of the study was to identify the opportunities to bring forward the regeneration of Hulme and develop a comprehensive, holistic and deliverable Development and Land Use Strategy for the main Birley Fields office campus in Hulme along with several vacant sites to the north and east of the campus. The Strategy does not seek to change existing Council policy and land use allocations for the area, rather it aims to identify the barriers to development and propose measures to address those barriers. The Strategic Review includes the sites outlined on the attached plan.
- 2.2 The main focus of the Review was to be the Birley Fields office development but the vacant sites to the north and east (allocated for housing and other non-office uses) were included within the review process to ensure the area was considered in a co-ordinated and comprehensive manner.

3.0 Background to the Area

- 3.1 In 1992, the redevelopment of Birley Fields was identified by the Hulme City Challenge Initiative as a key employment site for the area, with the potential to create 2000 new jobs. The original strategy for creation of new employment focussed on B1 activity – office development with a focus on knowledge based industries. The original plans also sought to create job opportunities that could be accessed by local residents.
- 3.2 Between 1999 and 2002, a number of office developments were constructed. However, development stalled during 2001 as a result of lower than anticipated take-up of space, much of it pre-let to companies whose Business Plans were undermined in the ‘dot com’ crash of 2000. The economic slow down associated with 9/11 was also

a contributing factor to a number of businesses not relocating onto Birley Fields.

- 3.3 Between 2002 and early 2005 parts of the new development on Birley Fields was slow to market and remained empty or under-occupied along with remaining plots of land in the core Birley Fields area lying vacant. Over the last 12 months significant progress has been made in securing occupation of this office space— notably with the occupation of one of the Archway buildings by Laing O'Rourke. Other signs reflecting a strengthening of the market and interest in Birley Fields has been an increase in developer interest in remaining vacant sites for further development. The European site to the north of Bonsall Street and sites to the east across Princess Parkway have also remained vacant. Taken together, the unoccupied sites and buildings in this area do not create a positive image of Hulme at this prominent and high profile gateway to the city and they have failed to deliver the original City Challenge objectives to act as a key drivers for the regeneration the area and offer much needed employment and residential opportunities for local people.

4.0 Strategic Context

- 4.1 Over the last four years, the strategic context for the Birley Fields area has changed considerably with the huge economic opportunities that are emerging from the Manchester: Knowledge Capital initiative; Manchester being designated as a Science City and the establishment of the new University of Manchester. More recently, and since the Birley Fields Strategic Review was completed, Manchester has been short-listed as one of two potential options for the relocation of the BBC – the City's site being the Central Spine area within the Southern Gateway, less than 400 metres from Birley Fields. With the focus of all of these activities taking place in the south side of the city and along the Oxford Road corridor, there is now huge potential to place Birley Fields at the heart of unprecedented economic growth in the City over the next five years. With the potential to create 100,000 jobs in the City, these initiatives are likely to have a significant impact on the Birley Fields area given its location and close proximity to the University, the Science Park, the potential new location for the BBC and also its accessibility along the Princess Road corridor. Birley Fields will, however, need to ensure it positions itself with a clear strategy to take advantage of these significant new market opportunities and establish it as a location of choice for key growth sectors.
- 4.2 Birley Fields is one of the few development opportunities on the south side of city centre that has the capacity to create new employment opportunities for local residents and, as indicated above, enable the city to enhance its overall economic position and sustain future growth. As such it is a critical piece of the city's economic infrastructure. However, it is equally important that local residents from across the

Central Manchester area are equipped to capture the employment benefits that are being, and will be, created. It is therefore critical that an Employment and Skills Strategy for Central Manchester is geared to ensuring that Hulme residents benefit from the job opportunities arising from the development of Birley Fields.

- 4.3 Parts of the area considered by the Strategic Review to the north and east of Birley Fields are allocated for housing / mixed use development. The residential market in Hulme has completely transformed over the last 10 years through a significant redevelopment programme. In the earlier phases, this delivered a range of family housing in the affordable and for sale sectors but since then, the construction of apartments both for sale and for rent has dominated the residential market in the ward. There is a clear gap in the market for family homes which local people can move into as their next step on the property ladder. Indeed, Hulme Evaluation undertaken by SURF in 2002, which reviewed the City Challenge Programme, identified that a key outstanding challenge for the regeneration of Hulme was the development of housing which is attractive to families.

5.0 The Birley Fields Development and Land Use Strategy

- 5.1 The Development and Land Use Strategy outlined within the Strategic Review identifies three zones (see attached plan) – the core office zone for office space linked to knowledge-based industries; a zone for other employment uses and a zone for residential uses particularly focussed on family homes with low-cost home ownership options. In addition, there are some common principles proposed across all sites including the use of sustainable design and construction principles; inclusion of open space integrated into developments, lower density development and an employment and skills strategy for Hulme. The Review also proposes that co-ordinated management and marketing arrangements be put in place for the core office area. This is due to the fact that the Review clearly identifies the fragmented and disjointed nature of the existing arrangements as a key barrier to development.
- 5.2 The Strategic Review presents a broad strategy for development and it is intended that there be further consultation as the plans for each of the sites are further developed.
- 5.3 The Executive Summary of the Strategic Review was circulated to Members with the February Committee report and incorporates background information in relation to all the sites in the Study Area; key issues and barriers to development; the current strategic and policy context; a detailed market analysis; the proposed development and land use strategy; an implementation plan and recommendations to take the Review forward. The Executive Summary is available upon request.

6.0 Scrutiny and Executive Committee Meetings February 2006

6.1 The Strategic Review was considered by Scrutiny Committee at its meeting on 8th February 2006. Members approved the Development and Land Use Strategy in principle and agreed to a set of actions to take this forward which included:

- Tackling short term maintenance issues due to the untidy nature of some of the sites;
- Developing and implementing new longer term management arrangements for the core office campus as outlined above;
- Preparation of a detailed masterplan for the office area to help with management and marketing;
- Beginning the process of considering the non-office sites (Sites G, H, Europan, Leaf Street, 14 and 15 on the Plan) in detail through the production of development briefs to determine the nature and scale of new development; and
- Developing an Employment and Skills Strategy that ensures local residents benefit from the job opportunities arising from the scheme.

6.2 It was noted at the Scrutiny meeting that, subject to Members being satisfied with the proposed way forward, officers would undertake public consultation on the Review.

6.3 The Strategic Review was then considered at the Executive meeting on 15th February 2006. As outlined above, the item was deferred to the next appropriate meeting to enable detailed consultation with local residents to take place, subject to authority being given to proceed in the meantime with arrangements to strengthen management of the core Business Campus.

7.0 Consultation

7.1 Consultation on the Strategic Review took place at key venues across Hulme – the Library, Asda and the Kath Locke Health Centre – between the 21st and 23rd March. A series of exhibition panels were produced explaining the review, Mori designed a questionnaire for use in interviews and residents were also given the opportunity to submit their views on comments sheets. Over the three days, over 400 people viewed the exhibition, 119 took part in a ten-minute interview using the questionnaire whilst 36 people completed comments sheets. Mori analysed all the data collected from both the questionnaires and the comments sheets.

- 7.2 In total, 86% of the participants lived in Hulme or close by and, of those who did not, over half visited Hulme almost every day. Almost all participants (97%) were aware of the regeneration of Hulme. After viewing the exhibition, participants were asked a series of questions in relation to the development plans. In terms of the three zones, people were asked the extent to which they agreed with a series of statements about the plans. Those issues with most agreement included:
- The fact that the framework should include open spaces in all zones (94% either strongly or tended to agree);
 - That each development should be built to eco standards (92%);
 - That there should be a zone offering a mix of jobs at different skills levels (90%); and
 - There should be a zone for mainly family housing rather than apartments (76%)
- 7.3 In terms of the Development and Land Use strategy for the area, the three most important factors were identified as being:
- Providing jobs for local people;
 - Providing open green spaces within developments; and
 - Providing low cost homes.
- 7.4 The comments sheets were also analysed. By frequency, the top three additional comments were:
- Maintain existing green space / more green space (mentioned by 18 people);
 - No need for more office space / business park (10); and
 - Support small businesses, local shops, local job opportunities (9).
- 7.5 In summary, it would be fair to state that the majority of people who participated in the survey agreed with the principle of the three zones outlined within the plans and with the cross-cutting development proposals including the use of sustainable design and construction standards, lower density development and the integration of open space into all the sites.
- 7.6 However, it should be noted that a group of local residents have concerns about the Review and have created the Friends of Birley

Fields Group. They are developing their own plans for the Birley Fields area and suggestions to date have included:

- A City Farm
- A green enterprise centre
- Sites left as 'wild' open space eg. a nature reserve
- Allotments

7.7 The Hulme Greening Strategy is currently being developed as a Forward Strategy for an ERDF – funded environmental scheme in Hulme. The Strategy has been the subject of extensive public consultation during its development and it will seek to identify key areas for future environmental improvements across Hulme. The Strategy will include actions in relation to the use / creation of open space, street scene, gateways, sustainable transport and energy measures amongst other things. Officers hope to bring the draft Greening Strategy to the next Scrutiny Committee meeting for consideration by Members before undertaking further public consultation. It is suggested that the Friends of Birley Fields' proposals will best be addressed within the Hulme Greening Strategy and that officers work with the Group to address these objectives in the wider Hulme area.

8.0 The Next Steps

8.1 As stated, there is broad agreement to the proposals subject to certain principles being adhered to when the detailed plans for each of the vacant sites are developed. This would include, for example, the use of Eco standards in construction, the integration of open space into developments and so on. It is therefore proposed that Committee re-affirm their approval of the Development and Land Use Strategy within the Review and agree to the remaining actions (ie. those not already approved) which are outlined below:

- a) Address short term maintenance issues identified in the Review by carrying out essential maintenance and tidying of the undeveloped sites within the Study Area.
- b) Prepare a detailed masterplan for the core Birley Fields Office Campus area;
- c) Prepare development briefs for the sites to the north and east of the core Birley Office Campus area (Sites G, H, European, Leaf Street, 14 and 15 on the Plan) and progress their disposal in line with the Development and Land Use Strategy and;
- d) Develop an Employment and Skills Strategy to strengthen the links between need and opportunity by working closely with

prospective occupiers, developers and mainstream providers to build the skill base locally.

- 8.2 It was noted in the February report that officers considered that new opportunities in the wider area are likely to influence a new positioning within the market place of the Birley Fields site but, to capitalise on those opportunities, a renewed focus on masterplanning and management of the core campus, alongside a planned release of sites to the North and East of the campus, are necessary short term steps to make progress. As part of the masterplanning work it will also be necessary to embrace in particular the potential concept of the Media Zone on Central Spine, and its juxtaposition with the Oxford Road Corridor which, as was explained to a previous meeting of the Executive, already represent important work priorities.

9.0 Conclusion

- 9.1 As outlined above, the consultation undertaken in March indicated broad agreement to the Council's proposals. The Birley Fields Study Area remains one of the outstanding elements in the completion of the most ambitious regeneration programmes ever undertaken in the City. The context within which the Study Area now sits is very promising with the emerging development of regionally significant initiatives on its doorstep including the Knowledge Capital and the potential relocation of the BBC. The key issue for the area is therefore how it can position itself more effectively to take advantage of these initiatives and market opportunities to ensure the creation of local employment, new homes and a better quality environment along the Princess Road corridor. The Strategic Review presents a clear, co-ordinated Development and Land Use Strategy which will be central to the City's ability to effectively place Birley Fields at the heart of the 'Manchester offer' and secure maximum local benefit.