

**Manchester City Council
Report for Resolution**

Report to: Executive – 14 March 2012
Subject: ITV /Quay St Regeneration Framework
Report of: The Chief Executive

Summary

To seek endorsement of a Regeneration Framework for the ITV landholdings at Quay Street. The Framework would help to guide development in the area, and provide the economic and spatial context to support future growth in the City Centre in a manner that complements existing developments in adjacent areas.

Recommendations

The Executive is recommended to:

1. Endorse, in principle, the Regeneration Framework for the ITV/Quay Street area as summarised in this report;
2. Request officers to continue to work with officers at Salford City Council to ensure that proposals that are emerging on both sides of the River are complementary and add value the overall City Centre offer;
3. Request the Chief Executive undertake a public consultation exercise on the revised Regeneration Framework with local residents and businesses;
4. Authorise the Chief Executive to submit a further report on the outcome of the consultation exercise.

Wards Affected:

City Centre

Community Strategy Spine	Summary of the contribution to the strategy
Performance of the economy of the region and sub region	The framework will provide the catalyst for further investment and employment in the area.
Reaching full potential in education and employment	The redevelopment of this area should facilitate the creation of a substantial number of jobs in a range of employment sectors.
Individual and collective self esteem – mutual respect	

Neighbourhoods of Choice	New development and public realm would improve the image and character of the area. New independent and niche uses could create a distinctive experience and introduce quality uses to the area.
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Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

None

Financial Consequences – Capital

None

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

1. Report to the Executive – 13th February 2002
2. Report to the Executive – 21st July 2004
3. Report to the Executive – 8th December 2004
4. Report to the Executive – 10th March 2005
5. Report to the Executive – 18th January 2006
6. Report to the Executive – 26th July 2006

Draft Quay Street and Water Street Development Framework February 2012

All held in Room 318, Town Hall

1. Introduction

- 1.1 The Quay Street/Water Street area has been a high profile location for Television and media activity in Manchester for over 50 years. It was the home of Granada Television, the UK's largest independent television company, and it was the first purpose built commercial television facilities in the country. The site has grown over the years from around 4 acres in the 1950's to its current size of around 13 acres.
- 1.2 ITV have now resolved to dispose of the site following their proposed re-location. In order to facilitate this process they have prepared a regeneration framework to support its future development. They have requested that this framework be formally endorsed by the City Council before they commence a marketing exercise.

2 Background

- 2.1 The ITV/Quay St area is bounded by the River Irwell, Museum of Science and Industry (MOSI), Lower Byrom Street, Great John Street, Atherton Street and Quay Street. It is situated to the south west of the city centre. The site is currently occupied by ITV's Manchester Regional Head Office and accommodates office, production and filming functions plus extensive staff car parking. The Globe and Simpson building on the northern edge of the site, is used by ITV as a business service centre. At the southern boundary of the site are railway viaducts and the Bonded Warehouse.
- 2.2 The buildings on site have been developed over the last 50 years to meet the requirements of television production. They include the Granada House office building; a selection of studio facilities; the Coronation Street sets; the former Starlight Studio Tours; the Victorian Bonded Warehouse; the Globe & Simpson building; and elements of the railway viaduct leading to the Lower Byrom Street Warehouse.
- 2.3 The Coronation Street facility, which comprises the outdoor set, and various low scale stage set buildings, are located to the east of the Bonded Warehouse. The purpose built studios provide large internal studio spaces and smaller studios for uses such as post-production.
- 2.4 The site is wholly within the Castlefield Conservation Area. Whilst it does not contain any listed buildings there are a number that could be described as 'heritage assets'.
- 2.5 The Council has resolved previously that this area should primarily be a location for commercial development in order to most effectively contribute to the economic growth of the city centre and ensure that it continues to compete as an international destination for investment and jobs.
- 2.6 Officers have worked with ITV over the past decade to consider how the development of the site can most effectively be taken forward to ensure that the momentum of investment activity in the wider area is maintained.

- 2.7 More recently officers supported an ITV development competition that aimed to create a new commercial and residential quarter anchored by ITV's presence. This proposed that it would become a new focus for growing media and creative industries within the City through the provision of new, modern technical and incubator facilities. To support the development competition, key principles were identified to underpin the regeneration of the area. This process indicated that up to 3.5M sq ft (320,000 sqm) of new development could be accommodated in this area within a commercially led, mixed-use profile.
- 2.8 The following guiding principles were endorsed at the time and these principles remain valid as an expression of the opportunity that exists today:
- i. To create a high quality, commercially led mixed use development in a comprehensive and co-ordinated manner and in a way which is fully integrated both functionally and physically with the rest of the city centre, including the adjoining Spinningfields development.
 - ii. To deliver a new, distinctly urban part of the city centre that builds on Manchester's robust urban blocks and encourages a mix of developments, including commercial, residential, retail, amenity and leisure uses that combine to create a distinctive sense of place, ensuring life and vitality on weekdays and evenings.
 - iii. To respond to the area's 'gateway' status at a key entry point to the city centre from the south west.
 - iv. To provide a range of high quality commercial accommodation, with particular emphasis on Grade A, large floor plate office accommodation to meet modern market requirements, and through the integration of a range of other uses, create a new and vibrant commercially led mixed-use quarter for the city, maximising linkages to the successful Spinningfields scheme.
 - v. To provide for a range and mix of residential accommodation needed to ensure that a vibrant new neighbourhood could emerge.
 - vi. To exploit the area's locational advantages in terms of its proximity to the CBD, public transport nodes, the inner relief route and pedestrian connectivity to all parts of the city centre.
 - vii. To protect and enhance the character of the Conservation Area and build upon the unique heritage assets which define the special character of Castlefield.
 - viii. To take maximum advantage of the waterside setting of the sites along the River Irwell as well as other physical features, such as the railway viaducts which help to define the character of the area.
 - ix. Provide important new areas of high quality public realm that offer increased opportunity for permeability through this currently private area,

with important new linkages between Castlefield and Spinningfields and the wider central area.

- x. To ensure that the area is fully accessible to all and create a safe and secure environment using the principles of “Secured by Design”.
- xi. To secure a sustainable development through design, construction and management (Ecohomes and BREEAM ratings)

3 Context

- 3.1 The ITV site is around 13 acres in extent and is largely in one ownership. Once ITV vacate the site it would be available and capable of delivering extensive and comprehensive redevelopment. It is therefore a major strategic opportunity and its future must be considered carefully in order to ensure that future development and investment complements established regeneration initiatives elsewhere in the City Centre.
- 3.2 Spinningfields is immediately to the north and is an acknowledged exemplar of City Centre economic regeneration and is the largest new build City Centre office scheme in the UK. To the south is Castlefield, a mixed-use area containing an established residential community along with leisure, retail and heritage attractions.
- 3.3 Central Salford is immediately to the west on the opposite side of the River Irwell where a partnership led by Salford City Council is seeking to deliver comprehensive change around Salford Central station and Chapel Street. Salford would be a key stakeholder in the development of the ITV site, as the evolution of proposals on both sides of the river are complementary and add value to the overall city centre offer.
- 3.4 St John Street, and the St John Street Conservation Area, is to the east and incorporates a mix of uses including professional businesses such as the legal, accountancy and medical professions and residential accommodation. Beyond this area is Deansgate and the Great Northern/ Manchester Central area which contains retailing, leisure attractions and conference facilities.
- 3.5 To the south of the area beyond the railway viaduct is the Water Street area. The Executive endorsed a framework for the development of that area in 2011 following a public consultation exercise. It aims to create a new mixed-use destination within the wider Castlefield area based on new commercial, residential and showroom type uses. It was envisaged that the commercial offer would be complementary to the wider city centre with a product and pricing structure that would attract small scale and independent users who seek a fringe location and are attracted to the particular attributes of the Castlefield area.
- 3.6 The site is wholly within the Castlefield Conservation area but it does not currently contain any designated heritage assets. This potentially provides a unique selling point to promote development and regeneration.

- 3.7 The proposed Development Framework aims to provide an appropriate response to this context. It establishes a series of principles and a strategy which is sufficiently flexible to be able to respond to opportunities in the market place as they arise. This could facilitate the early delivery of a new mixed-use, sustainable City Centre neighborhood which is accessible, has a distinctive sense of place and offers life and vitality at all times. It also offers the opportunity to drive regeneration in the broader area including regeneration priorities within Salford and at Water Street and collectively this would transform the western gateway to the City Centre.

4 The Current Framework

- 4.1 The objectives of the Framework would be achieved through the adoption of the development principles as set out above, which were endorsed by the City Council in 2006, and are still relevant today, and by utilising the inherent strengths of the area in terms of its natural assets, the adjacent uses and ensuring that it complements the city centre's wider regeneration initiatives and objectives.
- 4.2 This would deliver a mix of uses focused on employment, residential and leisure activity, together with complementary retail activity to provide amenities for visitors and occupiers as well as for local residents and other nearby city centre users.
- 4.3 The extent of the ITV site, its relationship to the commercial areas of Spinningfields and St John Street, its proximity to high residential and leisure areas around Castlefield and Deansgate, and its exceptional accessibility and connectivity offers the ability to promote early regeneration of the site. However, in order to achieve this in a complementary manner, the scheme must successfully utilise the opportunities provided by the vibrant surrounding activities, be rooted in market reality and be appropriate in terms of the City Council's planning and regeneration objectives.
- 4.4 The area could accommodate a variety of distinct and complementary office types that would appeal to a broad selection of occupier requirements. It is estimated that around 5,000 direct jobs (plus indirect multipliers in supply chains, construction employment etc.) could be created through the implementation of the framework.
- 4.5 There is a clear opportunity to capture new Grade A office occupiers adjacent to Quay Street as a natural extension of Spinningfields. This could be achieved through the creation of strong pedestrian links and the introduction of high quality public realm. Two or three large floorplate, highly specified office buildings could be delivered in this location that could accommodate headquarter-type requirements in the financial and professional services sectors.
- 4.6 The existing main ITV Manchester Granada House office building could be refurbished to Grade B+ standards and complement Spinningfields and the

adjacent new buildings. This would provide refurbished space and offer smaller floorplates in the short to medium term which could be brought to the market quickly. A comprehensive refurbishment of this building could be delivered in 12 – 15 months, as opposed to around 24 months for new build. A refurbished building in this location close to Spinningfields could appeal to different occupier markets in terms of second tier financial and professional service providers, creative media and ICT companies, as well as business support functions. It would be possible, therefore, to bring this building forward alongside and at the same time as the neighbouring Grade A phases.

- 4.7 It would also be possible to extend the successful St John Street area into the site along its eastern edge. This could be achieved through the development of mixed-uses, incorporating residential accommodation, as an extension of the John Street professional services offer. The high value medical and legal consultants / barristers around St John Street could be extended into the heart of the area and provide an opportunity to expand this type of activity. This has the potential to appeal to growing local businesses as well as new start-ups and inward investors. This should offer both leasehold and long leasehold tenure. The ability for occupiers to purchase units could be particularly attractive to this target market.
- 4.8 The area offers a real opportunity to create a good quality residential location. There are a number of high quality residential developments in this area including Leftbank at Spinningfields, Bauhaus and Rossetti Place and around Castlefield. The proximity of the site to these well-established residential areas presents the opportunity to deliver an early phase of development.
- 4.9 A strong residential offer could also be based on the cleared sites adjacent to the River Irwell and within a refurbished Bonded Warehouse. It is envisaged that new residential development in this could provide housing choice at the top end of the residential market.
- 4.10 The residential proposals would help to facilitate the wider regeneration of the site and contribute towards the funding of essential high quality public realm and infrastructure. As such, in addition to providing high quality and much needed accommodation, the residential use would help to underpin the wider economic regeneration objectives.
- 4.11 The ITV site is located adjacent to Manchester's Museum of Science and Industry (MOSI), one of the North West's leading tourist destinations whose visitor numbers topped 600,000 in 2010. MOSI forecast that this will increase to in excess of 1 million visitors in 2012.
- 4.12 There are clear opportunities to harness this footfall by improving permeability and accessibility between MOSI and the ITV site. The demolition of the redundant studios and other out buildings presents the opportunity to create routes across the cleared site in the short term.
- 4.13 ITV are considering whether any potential exists to develop a leisure attraction based around the existing Coronation Street set which is commercially viable.

This work must be completed before the long-term future of the set can finally be determined. Officers will be consulted on the evaluation of options given the critical importance of ensuring that any proposals are founded upon the need to satisfy key criteria about deliverability and long-term sustainability. The outcome of the work will be reported to the Council and will be used to refine the overall framework.

- 4.14 It is envisaged that new retail and leisure opportunities could evolve over time, as the wider development progresses and phases of high quality public realm are delivered, This would help to integrate a number of presently self contained retail / leisure destinations, delivering significant benefits and opportunities beyond the immediate site.
- 4.15 The overall changes and the increases in employment and residential development should result in an increase in daytime footfall within the area and to and between key cultural destinations such as Castlefield, MOSI, the People's History Museum and John Ryland's Library. This should help to enhance pedestrian flows through Spinningfields towards the city's prime retail core. Improved east-west connections would help to link the site back to the existing leisure uses at Great Northern Warehouse and the niche retail offer along southern Deansgate.
- 4.16 A limited number of family friendly independent cafes and restaurants could be developed and this would help to extend dwell time during the day and early evening. A similar night-time circuit could link the leisure offer at Spinningfields, the Opera House, the Great John Street Hotel and established food and beverage uses along Liverpool Road.
- 4.17 The provision of ancillary amenity facilities in the form of a small corner shop, pharmacy, doctor's surgery, dentist, crèche, dry cleaner, gym etc. would help to establish the area as a destination and would provide benefits to existing residents in the wider area.
- 4.18 Whilst the area is within the Castlefield area, the majority of the existing buildings have a negative impact and detract from the area, and the large impenetrable nature of the ITV estate creates an impenetrable block and inhibits permeability and movement. It would be possible to enhance the character of the Conservation Area significantly by introducing new links, connections and spaces and by introducing high quality new development and uses that build upon the unique heritage assets which define the special character of Castlefield.

5. Conclusion

- 5.1 The development of the ITV site will significantly assist the regeneration of a strategically important area of the City Centre by introducing new commercial activity, a range of complementary uses, and by acting as a focus for activity and attracting visitors into the area. It should also help to transform the image of the area as a place to invest and further enhance the area's contribution to the overall city centre 'offer', which in turn should help attract visitors to

Manchester and help to create job opportunities here and within the wider city centre.

- 5.2 As a commercially led mixed-used development, building upon its proximity to Spinningfields, the ITV site is intended to be a leading driver for job creation within the sub regional economy over the coming decade.

Preparation of the original competition principles was driven in particular by the economic opportunities emerging from the advanced development of the Spinningfields masterplan. This area is an extremely important asset to the City and the region, and its profile and performance over the coming years will be a critical factor in driving long-term economic competitiveness.

- 5.3 High quality public realm is vital to the overall vision and success of the redeveloped ITV site, and in facilitating the range of developments proposed it would be possible to ensure its delivery at an early stage in the development programme, and so help to stimulate the regeneration and public use of the site.

6. Contributing to the Community Strategy

Performance of the economy of the region and sub region

- 6.1 The regeneration framework will provide the catalyst for further investment in the area. It is imperative that developments in the ITV area are of the highest quality and, when combined, create the critical mass of economic activity necessary to promote and encourage investment and growth opportunities in more peripheral city centre areas.

Reaching full potential in education and employment

- 6.2 It is intended that full potential in employment can be achieved through innovative partnerships that will facilitate the redevelopment of the wider site. The redevelopment site has the potential to create a significant number of jobs in the area.

Neighbourhoods of Choice

- 6.3 The development strategy should deliver appropriate community facilities and to ensure that surrounding communities can access the opportunities being created.

7. Key Policies and Considerations

(a) Equal Opportunities

- 7.1 A key aim of the regeneration framework is to ensure that local people can access and benefit from the employment opportunities and community facilities being created. In addition, there is a commitment to ensure that the

design standards throughout the redevelopment will comply with the highest standards of accessibility.

(b) Legal Considerations

- 7.2 If adopted by the Executive, the regeneration framework will not form part of the Council's Development Plan but would be a material consideration when development control decisions are made.

Recommendations appear at the front of the report.