

## TRAFFORD COUNCIL

**Report to:** Executive  
**Date:** 27 July 2015  
**Report for:** Decision  
**Report of:** Executive Member for Economic Growth and Planning.

### Report Title

Cornbrook Hub Compulsory Purchase Order

### Summary

The report requests in principle approval to the use of compulsory purchase powers to deliver the regeneration of the Cornbrook Hub Site

### Recommendation(s)

The Executive is recommended to:

1. Endorse the approach to the delivery of the Cornbrook Hub Site as set out in this Report;
2. Provide in principle approval to the use of compulsory purchase powers to deliver the regeneration of the Cornbrook Hub Site;
3. Request that, in the event of compulsory acquisition becoming expedient for the regeneration of the area, officers shall bring a further report to the Executive.
4. Authorise the service of Requisition for Information upon all owners, occupiers and those with any other interests in the Cornbrook Hub site pursuant to Section 16 of the Local Government (Miscellaneous Provisions) Act 1976; and
5. Authorise the Corporate Director for Economic Growth, Environment and Infrastructure and Director of Legal and Democratic Services to negotiate and complete an appropriate CPO Indemnity Agreement with Manchester Ship Canal Developments Limited to secure all the costs associated with the making of the Order (if required) and the acquisition of all remaining third party interests in the Cornbrook Hub Site including compensation costs as set out in section 5 of the report.
6. In the event that such an Indemnity Agreement is concluded, authorise the Corporate Director for Economic Growth, Environment and Infrastructure to negotiate the acquisition of all interests in the site, in advance of confirmation of a CPO, as if such CPO had been confirmed.

Contact person for access to background papers and further information:

Name: Richard Roe

Extension: 4265

Background Papers: None

*Implications:*

Relationship to Policy Framework/Corporate Priorities	This report relates to the corporate priority for economic growth and development and will support the delivery of a strategic regeneration site.
Financial	Any costs associated with the CPO process will be underwritten in full by the developer.
Legal Implications	<p>All owners, occupiers and those with any other interests in the Cornbrook Hub site will be served with a Requisition for Information pursuant to Section 16 of the Local Government (Miscellaneous Provisions) Act 1976. This is to ensure that all parties affected by the proposed CPO are correctly identified before the CPO is made.</p> <p>A CPO Indemnity Agreement will be entered into with Manchester Ship Canal Developments Limited to secure the funding needed (including all costs incurred by the Council which also includes officer time) to acquire all remaining third party interests in the Cornbrook Hub Site.</p>
Equality/Diversity Implications	No direct implications
Resource Implications e.g. Staffing / ICT / Assets	No direct implications
Risk Management Implications	No direct implications
Health & Wellbeing Implications	Not applicable.
Health and Safety Implications	Not applicable.

## 1. Background

- 1.1 The Cornbrook Site is situated on the fringe of Manchester city centre close to the Bridgewater Canal and railway lines that link the city centre with other parts of the regional centre within Salford and Trafford. Whilst the area has many attributes, including the presence of a metrolink station and has benefitted from some development, principally residential-led, it is unlikely that significant and comprehensive change can or will take place here in the absence of a co-ordinated approach to its regeneration.
- 1.2 The Cornbrook Hub regeneration site falls within the boundaries of both Trafford and Manchester. Manchester Ship Canal Developments (MSCD) which is owned by Peel has a significant landholding in the Cornbrook area and they propose to develop large scale residential schemes around the Pomona area in Trafford.
- 1.3 MSCD strategy for the Cornbrook Hub includes creating a new commercial, retail and leisure destination, recognising the importance of the site's location as a

“Gateway” between Manchester and Trafford. The regeneration proposals for Cornbrook, will include significant environmental improvements to the immediate area and a potential new entrance and improved car parking to the Cornbrook Hub Metrolink Station.

- 1.4 In order to support the Cornbrook Hub Regeneration both Trafford Council and Manchester City Council have adopted a regeneration framework for Cornbrook. The Framework document identifies how the area could be transformed to create a new commercial, leisure and retail “destination”, which supports significant new employment and business growth opportunities.
- 1.5 The Cornbrook Hub Regeneration Framework aims to deliver high density commercially led, mixed use development of the land. It would create a new gateway to the City Centre from Trafford and would improve access to the Cornbrook Metrolink Station. A broad range of uses are anticipated including office space, residential, retail and a hotel. The proposals could deliver circa 1750 new jobs during construction and upon occupation.
- 1.6 The site is located on the city fringe of the Manchester and Trafford border and is bounded by Chester Road, the Bridgewater Canal and the Cornbrook Metrolink Station. The total site area includes around 2.3 hectares of land that is divided into two distinct parcels by an operational railway/ metrolink system. One parcel of the site is located within the boundary of Trafford, with the remaining parcel located in Manchester.
- 1.7 The land located in Trafford is bounded by the Bridgewater Canal and the viaduct and divided into two sections by Cornbrook Road. The northern part is 1.10 hectares and is occupied by heavy industrial uses and the southern site is around 0.21 hectares and is vacant.
- 1.8 The land located in the Manchester boundary is around 1 hectare and bounded by Chester Road, the railway viaduct and Cornbrook Road. It is largely occupied by a mix of heavy industrial uses, including car breakers and small car repair / servicing operations.
- 1.9 The redevelopment of the Cornbrook Hub, requires comprehensive large scale development and land assembly to transform and regenerate the area and deliver the step change required to ensure that it becomes a recognised new commercial, retail and leisure venue. The regeneration of the Cornbrook Hub, will also enable the full redevelopment potential of the Pomona Island area to be achieved by not only providing a gateway to the City Centre but also forming a new gateway into the Pomona Island area which will enable the delivery of a minimum of 1,100 new residential dwellings (Ref: Trafford Local Plan, Land Allocations-draft consultation January 2014) on the adjacent Pomona Island site, with the potential to increase this by a further 1,000 properties which in turn will provide the impetus for the delivery of a real transformational scheme across the whole of the area.

## **2. The Cornbrook Hub Regeneration Framework and vision for the site**

- 2.1 In December 2014 Planning Development Control Committee adopted the Cornbrook Hub Regeneration Framework and approved it as a material consideration in the determination of any planning applications on the Cornbrook Hub site. The Framework was approved by Manchester City Council in September 2014.

- 2.2 The Cornbrook Hub Regeneration Framework sets out the two authorities combined vision for creating a new commercial, retail, residential and leisure destination, located off Chester Road on the boundary of Trafford and Manchester. The site forms part of an important transportation link between Trafford, Salford Quays/ Media City and Manchester City centre, supported by the Cornbrook Hub, Metrolink station, providing the business and tourist community with access throughout the Manchester City region.
- 2.3 The Cornbrook Hub Regeneration Framework provides a comprehensive regeneration strategy for Cornbrook, transforming the current derelict / run down location, into a new business, residential, employment and leisure destination. The regeneration and redevelopment of the Cornbrook Hub will also explore the creation of a new Cornbrook Metrolink entrance, station improvements and car parking, recognising the importance of this key Metrolink interchange. The regeneration of Cornbrook, will generate an improved environment and gateway to the City Centre from the West and access to Pomona Island area to support the delivery of new residential housing on the adjacent Pomona Island site.

### **3. Existing uses on the site and negotiations to-date**

- 3.1 The Cornbrook site is currently occupied by a number of mixed-use businesses, including a number of small garages undertaking car repairs and servicing, a scrap yard and recycling centre, a car recycling centre, plus an advertising company using part of the site for local marketing.
- 3.2 MSCD's commitment to moving forward with the Cornbrook Regeneration has already commenced and is supported by a land assembly strategy and regeneration program plan. MSCD has already secured vacant possession of a number of small sites at Cornbrook, which have been cleared and secured in readiness for future redevelopment. Dialogue commenced in 2012 with the existing small business operators on the site, informing them of MSCD's intentions to move forward with the regeneration proposals for the Cornbrook Hub. Where possible, tenant lease arrangements were rationalised, allowing them to stay at Cornbrook until the site was required for redevelopment. A number of occupiers with contracted-out, lease arrangements are now due to vacate the site at the end of July 2015.
- 3.3 MSCD has worked closely with the existing business operators at Cornbrook, meeting owners in January 2015, on a face to face basis, to explain the regeneration plans and timescales, including the requirement to secure vacant possession of the whole site to in order to enable MSCD to move forward with its regeneration strategy. By the middle of July 2015, almost 60% of the Cornbrook Hub site will have been vacated by the existing small business operators, with these sites being cleared, secured and ready to support the regeneration process. Only three long term interests will remain on the Cornbrook Hub site, which includes: Mancunian Springs/ Bennetts recycling; 3G Telecoms; and Clear Channel Commercial Hoardings. The formal Cornbrook Hub Compulsory Purchase Order (CPO) will ensure that MSCD is able to deliver the Cornbrook Hub regeneration plans.
- 3.4 Extensive efforts to negotiate for the purchase of the interests of the remaining owners and occupiers have been carried out to date, including visits to alternative locations, and efforts will continue to be made, where appropriate, to assist with the relocation of affected persons and businesses to alternative premises.

### **4. Development programme**

- 4.1. MSCD have worked with both Councils to prepare a masterplan and delivery strategy for the Cornbrook Hub site, which have been derived from the key principles set out in the Cornbrook Hub Regeneration Framework. A copy of the illustrative masterplan for the Cornbrook Hub site is attached at (**Appendix 1**).
- 4.2 MSCD proposes to bring forward detailed planning applications for each phase of the development based on the adopted Cornbrook Hub Regeneration Framework. The existing approved and adopted Cornbrook Hub Regeneration Framework document, provides an agreed framework for the scale, mass and type of new development.
- 4.3 The regeneration of the Cornbrook Hub includes five delivery phases, inclusive of the development of the adjacent Pomona Island site. These phases and the currently anticipated draft development programme are as follows (reference to the phases are as shown on the attached illustrative draft Phasing masterplan, **Appendix 2**):
- Phase 1a (being the part of the Cornbrook Hub site falling within Manchester): Creation of a new hotel and retail destination: Start on site mid 2018
  - Phase 1b (being the part of the Cornbrook Hub site falling within Trafford): Site clearance, demolition and remediation work for a new commercial business hub: Works could commence mid 2017
  - Phase 2: Development of the 1<sup>st</sup> residential apartments at Pomona Island: Proposed start on site early 2016
  - Phase 3: Delivery of a new commercial business centre at the Cornbrook Hub: Proposed start on site 2019
  - Phase 4: Delivery of future residential phases at Pomona Island will be over a period of approx. 5-10 years.
- 4.4 The above draft timescales assume that land assembly can be completed by the end of 2016.

## **5. CPO Indemnity Agreement**

- 5.1 MSCD will underwrite the cost of the CPO process. Under the CPO Indemnity Agreement MSCD agree to indemnify both Trafford Council and Manchester City Council for the internal officer time, and any external consultant time, incurred through the CPO process. They also provide an indemnity for all compensation liabilities associated with the CPO.
- 5.2 The CPO Indemnity Agreement envisages that a Project Team, comprising representatives from MSCD, Manchester City Council and Trafford Council will be established that will meet on at least a monthly basis to oversee the making and confirmation of any CPO.
- 5.3 The Agreement also envisages that an account will be held by MSCD's solicitors into which MSCD will pay in advance a sum equivalent to both Councils best estimates of the likely costs involved in each stage of the CPO process. Both Councils will then be able to draw funds down from this account to fund their internal and external costs incurred through the CPO process. The Council is not obliged to exercise its CPO powers to acquire any remaining third party interests unless and until MSCD has paid into the account a sum equivalent to the total outstanding CPO liabilities of the Council, as agreed between the Council and MSCD.
- 5.4 Finally, the agreement includes a commitment from MSCD to proceed with the development once commenced, subject to market conditions and demands and in

consultation with Trafford and Manchester Councils. It also places a positive obligation on MSCD to submit detailed planning applications for the Phase 1a and 1b works described above as soon as possible thereafter or in any event within 12 months from the date on which MSCD acquire all remaining third party interests in the site.

## 6. Indicative timeline for CPO Process

6.1 The table below provides indicative timescales in relation to the CPO process

Reports to Council's Executive Trafford Manchester	27 July 2015 29 July 2015
Commence land referencing	July 2015
Questionnaire to be sent out	Early August 2015
Prepare drafting Statement of Reasons ( SoR)	July 2015
Submit footpath and road closure for Westminster Street	July 2015
Reports to Executive seeking formal authority to promote a CPO Trafford Manchester	28 September 2015 7 October 2015
Submit Order, advertise and send out formal notices to interested parties within Order lands	Late October 2015

## 6. Choice of CPO Powers

6.1 To secure the early delivery of the proposed development, MSCD have approached both Manchester City Council and Trafford Council with a request to support the use of their CPO powers in relation to the site.

6.2 It is considered that Section 226(1) of the Town and Country Planning Act 1990 would be the most appropriate power to be used to compulsorily acquire the remaining interests in the site.

6.3 As this would be a cross-boundary CPO there are a number of different options which could be utilised. These include:-

- (a) Both authorities could make their own CPOs which would be promoted in parallel through the confirmation process. This could become a somewhat cumbersome process and there is a risk that two teams dealing with two separate CPOs raises the creation of procedural delays and errors. This risk would be avoided if one of the other options below is followed.
- (b) One authority could take the lead in drafting both orders, with the other having the ability to sign off final versions of the order, statement of reasons and

notices etc. This would allow a smaller group to be involved in the day to day preparation of the orders and should allow a smoother and quicker process. There remains the risk here that one part of the order is confirmed and the other is not, however, we believe this risk to be very low.

- (c) The third option is to consider asking the Secretary of State to transfer the ability to make the order from one authority to the other. This is possible under Section 226(5) of the 1990 Act. MSCD have had some preliminary discussions with DCLG; the risk is that, as a power that has never been used before, its use has not been tested and may introduce another route by which any CPO could be challenged, on the basis of procedural impropriety/improper exercise of the power in Section 226(5). This would also require further discussions with DCLG to ensure they can and do make the appropriate direction.
- (d) The fourth option would be to ask the Homes and Communities Agency to use their wide regeneration CPO powers to assemble the site.

6.4. After consideration of the options, it is recommended that “Option b” as described above is pursued as this reduces the overall risk of judicial review and timescale to delivery and it has been jointly agreed that Manchester will act as the lead Authority.

## **7. Conclusion**

- 7.1 New development must be of the highest quality and the initial phase, which would be within Manchester, must create a critical mass of economic activity to act as a catalyst to promote and encourage investment and growth opportunities within the broader area.
- 7.2 The sustainability and long-term success of this site will depend upon its full integration into the physical and economic fabric of the area. It will also be important to ensure that the area is properly connected to adjacent communities in Stretford, Old Trafford and Hulme so that residents can benefit from the job opportunities that will be created.
- 7.3 The full regeneration benefits of the development of the Cornbrook Hub can only be achieved if there is certainty about the delivery of a comprehensive scheme that can secure the satisfactory development of the site. The Cornbrook Hub Regeneration Framework provides a vision of how the area could be developed in order to create a new place and provide significant regeneration benefits within both Trafford and Manchester.

## **8. Other Options**

- 8.1 The Council could choose not to use CPO powers to deliver the regeneration of this site, requiring land to be assembled through agreement between MSCD and leaseholders. This could potentially delay development of the area indefinitely if agreement cannot be reached.
- 8.2 A number of different CPO options have been considered as set out in section six. The preferred option has been selected as it is considered to have the lowest risk and to be the most expedient.

**9. Consultation**

9.1 Extensive consultation has taken place regarding the Cornbrook scheme and MSCD have commenced discussions with a large majority of the owners of the properties within the scheme footprint. However, given the number of interests required to assemble the site for redevelopment and improvement, acquisition by agreement is not a pre-determined prospect and the use of Compulsory Purchase powers may be necessary to ensure that the land will be acquired which will enable the full objectives, outputs and vision of this transformational scheme to be achieved.

**10. Reasons for Recommendation**

10.1 To enable CPO powers to be used, if required, to bring forward the regeneration of a strategic site across Trafford and Manchester supporting housing and economic growth.

**Key Decision:** Yes  
**If Key Decision, has 28-day notice been given?** Yes

**Finance Officer Clearance** (type in initials)...GB.....  
**Legal Officer Clearance** (type in initials)...JL.....

**CORPORATE DIRECTOR'S SIGNATURE** *Helen Jones*

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.