

TRAFFORD COUNCIL

Report to: Executive
Date: 2 October 2017
Report for: Decision
Report of: Executive Member for Housing and Strategic Planning

Report Title

Proposed Streford Compulsory Purchase Order 2017

Summary

The report sets out proposals for the delivery of student accommodation and a student hub, which form an integral part of the proposals to establish a new University in Stretford. The report seeks approval to the potential use of compulsory purchase powers to support the delivery of the proposals.

Recommendation(s)

It is recommended that the Executive:

- 1.1 Provides in principle support for the making of a compulsory purchase order under section 226 of the Town and Country Planning Act 1990 and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 to enable the redevelopment and regeneration of the site shown edged red on the plans in Appendix A and B.
- 1.2 Delegates authority to the Director of Growth and Regulatory Services in consultation with the Director of Legal and Democratic Services to take all steps necessary to enable a compulsory purchase order to be made including but not limited to:
 - (a) the carrying out of land referencing including without limitation the service of notices under section 16 of the Local Government (Miscellaneous Provisions) Act 1976 and/or section 5A of the Acquisition of Land Act 1981
 - (b) the entry onto the Land and other land for the purpose of carrying out surveys pursuant to section 15 of the Local Government (Miscellaneous Provisions) Act 1976
 - (c) the preparation of a draft statement of reasons

- (d) the preparation of a draft Order and Order Schedule
- (e) the preparation of notices to owners, lessees and occupiers, site notices and any other notices required to be served and/or advertised in accordance with the Acquisition of Land Act 1981 should the Executive authorise the making of a compulsory purchase order

1.3 Delegates authority to the Director of Growth and Regulatory Services to negotiate for the voluntary acquisition of land and rights over land needed to enable the Scheme to be delivered in advance of confirmation of a CPO, as if such CPO had been confirmed

1.4 Delegates authority to the Director of Growth and Regulatory Services in consultation with the Director of Legal and Democratic Services to consider alternatives to the use of compulsory purchase powers

1.5 Notes that before a compulsory purchase order is made a further detailed report will be drafted seeking authority for the making of an Order and that such a report will need to address a number of issues including:

- (a) that the compulsory acquisition is necessary to facilitate the carrying out of development, redevelopment or improvement on, or in relation to, the land being acquired;
- (b) that the Scheme complies with planning policy and the revised Stretford Masterplan
- (c) that there is a compelling case in the public interest for the land to be acquired which outweighs the interference with the human rights of those with an interest in the land affected;
- (d) that the Scheme will contribute to the promotion or improvement of the economic and/or social and/or environmental well-being of the local area;
- (e) that the Scheme is viable and that there is a reasonable prospect that the Scheme can be implemented within a reasonable timescale;
- (f) that agreements have been entered into with a private sector partner that provides for the delivery of the Scheme and indemnifies the Council in respect of its costs of making the order, seeking its confirmation and compensation payments to affected owners, lessees, occupiers and any other potential claimants;
- (g) that there are no physical or legal impediments to the Scheme proceeding;

- (h) that all reasonable steps have been taken to acquire land and rights over land needed to deliver the Scheme by negotiation and voluntary agreement;
- (i) that alternatives to the use of compulsory purchase powers have been considered;
- (j) that the compulsory acquisition would not infringe the Council's equality duty

Contact person for access to background papers and further information:

Name: Richard Roe, Director of Growth and Regulatory Services

Extension: x 4265

Background Papers:
None

Implications:

Relationship to Policy Framework/Corporate Priorities	The delivery of the new University will contribute to the Council's vision for "no one held back, no one left behind" and the Corporate priorities for economic growth and development, excellence in education and low Council Tax and value for money.
Financial	<p>The cost of land acquisition, stamp duty land tax and associated fees will be incorporated into the developing business plan for the delivery of student accommodation which will be the subject of a further report to the Executive.</p> <p>Any voluntary acquisitions will be financed from the Investment Fund budget within the existing capital programme and subject to an appropriate business case to be agreed with the Chief Finance Officer.</p>
Legal Implications:	It will be necessary to complete the various documents referred to within the body of the report.
Equality/Diversity Implications	None as a consequence of this report.
Sustainability Implications	The Council has commissioned an independent Economic Impact assessment of the proposals set out in this report, and other reports on this agenda, and the outcomes are set out below
Resource Implications e.g. Staffing / ICT / Assets	Existing resources have been identified to support the delivery of the project and related activity across all the partners.
Risk Management Implications	The delivery of the project is supported by a risk plan setting out the key risks to delivery and proposed mitigation measures.
Health & Wellbeing Implications	The potential delivery of an enhanced Stretford Leisure Centre and provision of other facilities as part of the proposed development opportunities will support improved health and wellbeing.
Health and Safety Implications	None as a consequence of this report.

1.0 Background

1.1 The Council's refreshed Stretford Masterplan sets a bold vision for the town:

'To transform Stretford Town Centre and the surrounding area into a prosperous, vibrant, attractive and safe destination with a strong identity that provides a wide range of facilities throughout the day and evening whilst maximising the opportunities for major investment and realising the full potential of existing assets'.

- 1.2 A key driver for the delivery of this vision is the establishment of a new University ("UA92") in the heart of Stretford, the campus for which will be provided on the site of the Kellogg's building, and which will provide a step change in access to education for local residents as well as direct and indirect economic benefits..
- 1.3 Integral to the vision for UA92 and regeneration of Stretford is the development of new, high quality, purpose built student accommodation in Stretford town centre, as described elsewhere on this agenda. It is essential to the success of UA92, as it forms an essential part of the student offer, and will also play an important in role in minimising any potential implications for the local housing market.
- 1.4 The redevelopment of Stretford to deliver UA92 requires comprehensive large scale development and land assembly to regenerate the area and deliver the step change required to ensure it becomes a successful new higher education facility. The regeneration of Stretford will also enable the delivery of other development opportunities, identified in the Stretford Masterplan, creating further economic and housing growth.
- 1.5 The significant economic, social and community benefits that will be delivered through these regeneration proposals are set out in the related reports on this agenda. There will be public consultation in relation to the refreshed Stretford Masterplan and consultation on the UA92 proposals. This report is not seeking to pre-empt or to assume the outcome of those consultations. However, given the time pressures which would apply if the proposals are to be progressed, given a proposed opening date for UA92 in September 2019, it is necessary to carry on with matters such as this CPO proposal and the planning applications, but on the basis that such steps are ultimately subject to a positive outcome from those consultations.
- 1.6 This report sets out the proposals for student accommodation, how this will be delivered, and seeks approval for the potential use of compulsory purchase powers if land cannot be acquired through agreement.

2.0 Student accommodation scheme

- 2.1 The projected number of students attending UA92 is predicted to be 650 at year one (September 2019), increasing to a roll of 6,500 by 2028, which will be the maximum number. The Council is committed to ensuring that a minimum of a third of students are accommodated in new, purpose built accommodation.
- 2.2 The accommodation will be developed in the centre of Stretford, on and around the Lacy Street car park. This location is less than 1.5 miles (and a single tram stop) from the new campus at the Kellogg's site. The location has been specifically identified in order to maximise the regeneration benefits for Stretford and to support the town centre. The development will not only generate jobs during the construction

period, but will also support local employment directly in the new facilities and generate additional spend in the local area.

- 2.3 The proposed scheme subject to this report will deliver circa 1,700 beds of student accommodation, representing over 75% of the minimum number of beds required. The development will be brought forward in phases, aligned with the growth in student numbers attending UA92, with a phase 1 of 360 beds opening for the first intake in September 2019, and a phase 2 of 378 units opening in September 2020.
- 2.4 The development will maximise the opportunity provided by underutilised land, bring the empty Essoldo building back into beneficial use, create new public realm and open up frontage onto the Bridgewater Canal. Pre-application discussions have commenced on a hybrid planning application (see site plan attached at appendix A), and public consultation will commence on the planning application on the 10th October, in parallel with consultation on the refreshed Stretford Masterplan. A second planning application will follow for the Essoldo and Edge Lane shops (see site plan at Appendix B).

3.0 Existing uses on the site and negotiations to date

- 3.1 The student accommodation development site encompasses nine plots of land in different ownerships, including the Council owned Lacy Street car park, probation office, Royal Mail sorting office, a bathroom supply company, retails units with flats above and the Essoldo. The wider UA92 campus also incorporates the Kellogg's site, which the Council is acquiring, and Council owned land at Turn Moss. The attached plan (at appendix B) sets out the land ownerships for the student accommodation site, and these are summarised below

Lacy Street Car Park

The Council owned Lacy Street car park provides 95 surface car parking spaces in Stretford Town Centre opposite Stretford Mall and fronting onto Chester Road. The site was identified in the Stretford Masterplan for redevelopment as it will provide an attractive gateway to the Town Centre. The removal of the existing subway as part of the phase 1 public realm works creates further potential in this regard and will increase the size of the development opportunity.

Land off Nelson Street

There is an opportunity to develop the Council owned land off Nelson Street that fronts onto Chester Road for new residential development that addresses the existing terraced housing along Nelson Street. The redevelopment of this site would help to reinforce the street, provide active frontages and mend the fragmented urban grain through the Town Centre along the A56

Probation Office

The Probation Office is a two storey building immediately to the south of the Lacy Street car park. The Council own the freehold of this site which is on a 99 year lease to the Probation Service running from 1975. The lease of the Probation Office is with the Ministry of Justice and therefore cannot be subject to a CPO.

Royal Mail Sorting Office

The Stretford Sorting Office is located adjacent to the Bridgewater Canal and opposite the Lacy Street car park. The office covers Stretford and parts of Trafford Park.

Atlas Heating and Bathrooms

Atlas Bathrooms and Heating premises on Lacy Street comprises a public showroom and the head office of the business. The business owns the freehold of the site

Essoldo

The former Essoldo Cinema is a Grade II listed building that has stood vacant since 1995. The building's listed status means that it must be fully retained as part of any development proposals on this site and it is proposed that it will be redesigned and refurbished to provide a student and community hub. There is also scope for two apartment blocks to be constructed within the car parking area of the Essoldo site. One of these would front the Bridgewater Canal with the other fronting onto Chester Road.

Edge Lane Shops

There are six commercial units on Edge Lane adjacent to the former Essoldo Cinema numbered 19-41 Edge Lane; five of these are currently vacant, with six apartments above. These units are in a single private ownership and are currently being marketed for sale.

There are a further five shop units numbered 7-15 Edge Lane under separate ownership.

It is proposed that both shop units will be redeveloped for either all student accommodation, or retail on the ground floor with accommodation above.

- 3.2 Lacy Street car park and the land off Nelson Street are both owned by the Council. Approval will be required in due course to declare these sites surplus and therefore suitable for development. The Council has previously engaged, either directly or indirectly, with each of the land owners of the third party sites to seek to acquire these by agreement. The Council have now appointed Axis to act on the Council's behalf and open formal negotiations for acquisition by agreement in advance of any potential CPO.

4.0 Development Programme

- 4.1 The Council has entered into a Memorandum of Understanding with Relentless Investment Limited ("Relentless") and is working in partnership with them to bring forward the development of the student accommodation. A full business case is being independently developed by CBRE, who are experts in this field.

- 4.2 The Council and Relentless propose to bring forward a hybrid planning application, comprising a full application for blocks on land at Lacy Street and Nelson Street, and an outline application for the remainder of the site. Full applications will be brought forward for other plots on a phased basis to deliver accommodation in line with the student number profile. Subject to the outcome of the consultation on the UA92 proposal and on the Stretford Masterplan, the indicative timetable is for the first application to be made in November 2017, and to be taken to Planning Committee in April 2018. Subject to planning, construction will commence in May 2018 with completion of phase 1a in September 2019 and phase 1b in September 2020. Construction of subsequent phases will follow on to achieve 1,716 units by 2024.

5.0 Relevant Planning Policy

- 5.1 Core Strategy Policy W2.4 states that Stretford Town Centre will be a focus for the consolidation and improvement of the convenience and comparison retail offer, as well as diversification to other uses such as offices, services, leisure, cultural and residential, as appropriate. Core Strategy Policy W2.6 identified the following actions for the successful delivery of regeneration in Stretford Town Centre:

- New/improved retail floorspace to enhance the offer of the town centre, in particular within Stretford Mall and its immediate vicinity;
- New/updated commercial office accommodation and family oriented leisure facilities;
- New residential (apartment and family) accommodation (minimum of 250 units);
- Public realm enhancements and accessibility improvements around the A56 Chester Road – A5145 Edge Lane / Kingsway junction and between the town centre and the Metrolink station; and
- Securing the active reuse and preservation of the Essoldo building.

- 5.2 The Lacy Street car park site is specifically identified as an important gateway and Major Opportunity Site in the adopted A56 Supplementary Planning Document (SPD) (March 2007), which sets out how Trafford Council will enable improvements on this important sub-regional route that runs the full length of the Borough, and passes immediately in front of the Lacy Street site. The SPD states that new development on such sites should consider:

- Views and vistas: development should seek to protect and frame existing views and landmark features should be created on corner sites along the A56.
- Gateways: development at identified 'gateways' should provide higher quality and more distinctive architecture. Higher density and taller buildings may be appropriate.
- Scale and massing: within town centre boundaries and at identified gateway sites buildings of a larger scale and mass may be appropriate.

- 5.3 Whilst not adopted for planning purposes, the Executive approved the Stretford Masterplan which identified the Lacy Street site for mixed use development in 2014. The refreshed Stretford Masterplan identifies the Lacy Street development site for student accommodation, with the Essoldo providing a student hub and associated community facilities. The masterplan is considered elsewhere on this agenda.

6.0 CPO Indemnity Agreement

6.1 The Council is intending to develop the student accommodation through a partnership with Relentless. Where the Council is pursuing a CPO on behalf of a developer, the Council would seek an Indemnity Agreement to cover any costs incurred in securing the CPO. In this case the Council is the developer and will be self-indemnifying, jointly with Relentless.

6.2 The projected land acquisition costs are set out in the associated Part B report.

7.0 Indicative timeline for the CPO process

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

Report to Executive	2 October 2017
Commence land referencing	October 2017
Prepare drafting Statement of Reasons (SoR)	October 2017
Questionnaire to be sent out	November 2017
Report to Executive seeking formal authority to promote a CPO	January 2018
Submit Order, advertise and send out formal notices to interested parties within Order lands	February 2018

7.2 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.

8.0 Conclusion

8.1 The proposed development must be of the highest quality in order to match the aspirations of the Council, its partners and the community of Stretford, and be a catalyst for change. The sustainability and long term success of the development is intrinsically linked with the success of UA92, but also to its integration into Stretford. The development must be open to the community and support the integration of the student body with the existing community, and the lifting of aspirations and opportunity.

8.2 The full regeneration benefits of the development of UA92 for Stretford can only be achieved if there is certainty about the delivery of a comprehensive, well designed scheme that enhances the town. The refreshed Stretford Masterplan provides a framework for regeneration and UA92 is the catalyst that provides a step change in delivery.

9.0 Other Options

9.1 The Council could choose not to use CPO powers to deliver the regeneration of this site, requiring land to be assembled through agreement. This could significantly delay development of the area if agreement cannot be reached, preventing the

delivery of student accommodation or leading to piecemeal development which is not able to meet the aspirations of partners and the community.

10.0 Consultation

- 10.1 The Council will undertake a formal public consultation on the draft refreshed Masterplan from 10 October 2017 for a period of eight weeks, as set out elsewhere on this agenda. Development proposals, as set out in this report, will be subject to planning permission, and will be consulted on in the usual way.

Reasons for Recommendation

The Executive is asked to approve in principle the use of CPO powers to enable the development of new student accommodation associated with UA92 and to deliver regeneration in Stretford.

Key Decision Yes

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

Finance Officer Clearance ...GB.....

Legal Officer Clearance ...JLF.....

DIRECTOR'S SIGNATURE



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

Appendix A – Phase 1 planning application area



