

Planning, Housing & Environment Overview & Scrutiny Committee

Date: 5 June 2018

Subject: Update on Town Centre Challenge

Report of: Andy Burnham, Greater Manchester Mayor

1. PURPOSE OF REPORT

To update scrutiny members on progress with the Town Centre Challenge, providing information on work since the start of the year and the outcomes of a number of events and meetings in different town centres across GM.

2. RECOMMENDATIONS

That scrutiny members:

- a) Note the progress made to date.
- b) Discuss the issues that are being raised through the town centre challenge
- c) Agree that the Scrutiny Committee is kept informed of further work and further announcements over the summer.

3. CONTACT OFFICERS

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4. BACKGROUND

4.1 The Town Centre Challenge was launched in November 2017 and an initial report to scrutiny (25 January 2018) set out its role and remit, some of the issues that need to be addressed in town centres and the towns that had already been put forward to take part by GM authorities.

4.2 In short, the Town Centre Challenge is about raising the profile of town centres and using the convening powers of the Mayor to galvanize delivery and change. The Challenge is an opportunity to bring together a range of key stakeholders and partners in a concerted effort to support the work of local councils to unlock the potential of some of these places.

4.3 The specific aims for the Town Centre Challenge have been focused around:

- Supporting local authorities to address the problems of viability and the need for new investment into town centres.
- Harnessing public and private sector drive to deliver change, especially in terms of new homes by releasing the hidden demand for residential development in many town centres.
- Combining the ambition of local authorities with the support that the GM Mayor can bring, using the convening powers of the Mayor to galvanize delivery.
- Supporting long term change and the potential of town centres for a range of uses.
- Building on the assets that already exist in our town centres to support specific schemes which can have a *catalytic* impact.

5. PLANNING AND POLICY CONTEXT

5.1 Work on the Town Centre Challenge is being undertaken in the context of increasing concern about the future of town centres across the whole of the UK. The landscape of our town centres is changing rapidly, and 2018 has seen some major developments in both the pace and scale of these changes, for example the recent news that Marks & Spencer intends to close 100 stores by 2022; closure of branches of Jamie's Italian required to maintain solvency of the company; and announcements by both Maplins and Toys R Us that they have gone into administration. Many household names, whose market dominance was once taken for granted, are now having their existence on our high streets brought into question and it is clear that our town centres will need to change if they are to continue to serve the needs of local communities.

5.2 Government policy, in the shape of the National Planning Policy Framework (NPPF), is changing to respond to some of these trends. The NPPF outlines several roles that can be fulfilled by town centres, including a 'social role' – that town centres should support communities by creating a high quality built environment with accessible local services whilst providing the supply of housing required to meet the needs of present and future generations. If GMs town centres are to effectively fulfil this role, we need to consider the growing potential of their residential offer. More town centre housing can attract higher footfall to local shops and services, breathing new life into town centres as well as providing the homes we need to meet the needs of future generations.

- 5.3 Linked to this, recently announced revisions to the NPPF also include proposals to avoid building homes at low densities in areas of high demand and instead pursue higher density housing in accessible locations. This is supportive of moves to increase residential offers in town centres as they represent accessible locations and can often accommodate higher density housing without a substantial need for additional infrastructure. The revised NPPF also proposes to extend minimum density standards to town centres, indicating that standards should seek a significant uplift in prevailing densities. Other policies go on to state that planning decisions should give substantial weight to the value of using suitable brownfield land within settlements for homes, whilst remediating despoiled, degraded, derelict, contaminated and unstable land. This emphasis can also be relevant to town centres as many contain brownfield land that could be utilised for homes if a ready market can be developed.

6. RECENT ACTIVITY IN GM

- 6.1 Against this background, work on the GM Town Centre Challenge has gained an increasing level of interest and significance. Following an invitation from the Mayor, nine separate town centres were proposed for the Town Centre Challenge by GM local authorities. Each authority then provided a pen portrait summary of the centre, including a description of work that has taken place to regenerate these centres, ongoing issues and current barriers to progress, as well as a proposal for how they would like to utilise the Town Centre Challenge.
- 6.2 Building on this information, a combination of meetings, events and workshops were held in each of the town centres over the early part of the year. The format of these meetings and events reflected the particular needs and priorities in each town centre, but most brought together a range of different stakeholders including land owners, developers, businesses and public sector interests as well as community representatives. They provided a quick and efficient means of enabling the Mayor, local authorities and key stakeholders to explore all of the issues and opportunities facing each town centre as well as discuss where the support of the Mayor could add greatest weight or value.
- 6.3 A summary of this stage is attached in Annex 1 – this identifies all of the town centres currently involved in the Town Centre Challenge and the types of issues and work covered.

7. EMERGING PRIORITIES

- 7.1 Although each town centre is unique, with its own combination of challenges and opportunities, the Town Centre Challenge has identified some common themes that will need to be addressed across most (if not all) town centres as work continues. These are broad ranging, but provide the basis for a more detailed programme of work to be developed.
- i) Viability and investment to deliver new schemes – none of the town centres currently have strong residential markets and investor interest in new schemes is often compromised by the lack of proven development models. Some, such as Stockport town centre, are addressing this by bringing forward a specific residential scheme in order to prove the demand for new apartments and demonstrate how this can work as part of a wider programme of change.

- ii) Bringing key partners to the table – the town centre challenge events have helped to bring together important stakeholders in some town centres and this is a vital first step in unblocking barriers to change. For example, the stakeholder event in Farnworth involved a wide range of organisations including a key land owner and developers as well as a local housing provider, providing the basis for more in-depth work on the potential for new affordable homes on a site adjacent to a remodelled shopping centre and improved public realm.
- iii) Need for specialist expertise or capacity – many of the opportunities in town centres (especially for residential schemes) involve sites with difficult or challenging characteristics and work is needed to ensure that specialist skills and expertise for addressing these is available when needed across the whole of GM. For example, the Rochdale town centre meeting involved experts from Historic England who are active in the town's Heritage Action Zone which is a focus for new investment and development. Other town centres will require other skills and these can be brought in with greater efficiency if seen as part of a wider programme of work. Place Directors in all ten GM districts now meet on a regular basis and are developing a programme to provide this type of support and share experience of what works, with external capacity supplemented by monies through the Planning Delivery Fund (see below).
- iv) Public sector land and services to catalyse change – town centre land ownership is generally complex, but a common characteristic is that different public agencies own land or operate services from the town centre. This is being used to shape change in some town centres, for example representatives from the local health trust and neighbouring school took part in the Prestwich town centre event and discussions are now taking place to look at how they will play a greater role in a new masterplan for the area. At the GM scale, this type of partnership working is being led by the One Public Estate Programme and Strategic Estate Groups, which bring together all public land owners in a district to carry out neighbourhood level reviews in order to utilise public land and facilities more efficiently. The reviews can feed into town centre plans over the next year and several could identify new opportunities for housing.
- v) Potential to use Mayoral powers – the creation of the GM Mayoral role and subsequent devolution agreements to the Mayor and GMCA provide additional powers that may be helpful in speeding up delivery of town centre schemes. For example, two of the town centres in the Town Centre Challenge are currently exploring whether the creation of a Mayoral Development Area could help to regenerate large areas of the town centres, speeding up site assembly and enabling more ambitious schemes to be developed.
- vi) Promotion, raising the profile and building investor confidence – long term change will require a shift in the way that many, especially potential investors, view town centres. The Town Centre Challenge provides a means to accelerate this process or give extra emphasis to existing proposals. For example, the Stalybridge event brought together a range of all the key town centre land owners into one meeting for the first time, enabling the Council to share its ambition for the town and encourage proposals to be brought forward for a number of sites. This is something that will need to continually supported, however, and the Mayor has made commitments for

follow up meetings with specific land owners or potential investors as part of the Town Centre Challenge.

- vii) Influencing national agencies – many local authorities can spend a lot of time and effort to get the support of nationally led agencies for town centre plans or projects, leading to delay and causing uncertainty amongst investors. The convening powers of the Mayor can help to short cut this and add additional weight to the work of Councils. For example, the Mayor has been working with Oldham Council to address issues on a town centre site owned by Network Rail, seeking to get agreement for new residential use of the site and remove some of the likely overage costs so that a more attractive proposition can be created.

8. NEXT STEPS

- 8.1 Following the concentration of activity between February and May, a work programme has been prepared for the next steps of the Town Centre Challenge. Liaising with each district authority, this programme defines some key milestones for each of the town centres and identifies where and when progress needs to be made.
- 8.2 A key feature of this work programme will be to utilise existing GMCA or Mayoral powers wherever possible to support town centres. For example, the GMCA is already deploying revenue support in the shape of Planning Delivery Fund to help address capacity issues and bring in additional or specialist expertise. The Planning Delivery Fund is relatively small, but can cover costs for specialist work like masterplanning, design, project management and marketing or promotion. More substantial investment can also be considered as plans for schemes progress, utilising the GMCAs Housing Investment Loan Fund, the Walking and Cycling Challenge Fund or the Land Fund, recently announced part of the GM Housing Package (see separate report on this agenda).
- 8.3 Importantly, the Mayor has also committed to following up his initial meetings with further events or meetings over summer, targeting specific stakeholders if necessary or using his convening powers to give additional publicity and profile to new initiatives. This reflects a continuing commitment to support town centre regeneration and the need for an ongoing effort to ensure long term change. Although lead in times to the start of physical change in town centres will inevitably take time, as with any other development process, further announcements on specific schemes are planned over the summer and these will be shared directly with Scrutiny Members to keep them informed.

SUMMARY OF WORK AND EVENTS TO DATE

Bury	Prestwich	Wide ranging stakeholder event in mid-February examined current plans for the Longfield Centre and how these could be expanded and updated to reflect changing retail demands and a wider range of opportunities across the whole of the town centre.
Wigan	Leigh	Event in March brought together public agencies and Leigh's community groups to discuss a number of different residential schemes across several town centre sites as well as the need for improvements to large areas of the town centre's public realm and to improve connectivity through cycling and walking.
Bolton	Farnworth	Stakeholder meeting hosted by Bolton University brought together land owners, public agencies and local businesses in March, with discussions on the development of affordable housing as well as the chance to take advantage of the new university campus facility, with the need for a new vision and masterplan to be created for the wider town centre.
Tameside	Stalybridge	Stakeholder event held in March provided a wide ranging audience of participants identified a number of opportunities for new homes in the town centre and concluded that a housing prospectus and delivery plan would be needed to bring these forward, with marketing and information to attract new investors.
Stockport	Stockport	A Town Centre Living Summit in March presented the results of work by the Council to a number of housing and development interests, with discussions focusing on the potential to kick start a major new residential market across the town centre as well as the need to look at further opportunities in an area to the west of the town centre.
Rochdale	Rochdale	A meeting and presentation to stakeholders in March looked at gateways to the town centre, phase two of the Riverside project and other existing initiatives as well as the potential to identify a catalyst project to encourage more residential development along Drake Street, taking advantage of new Heritage Action Zone status.
Oldham	Oldham	The Mayor and Leader of Oldham met in April to discuss the potential for support with Oldham's town centre plan, in particular on issues with land owned by Network Rail as well as potential involvement with the GM Cycling and Walking Challenge Fund. More recently, discussions have also begun on how experience through the Town Centre Challenge could inform and support other town centres, reflecting local priorities.
Salford	Swinton	The GM Mayor met the Salford City Mayor and some of his Cabinet members in May to discuss the potential for major changes across Swinton and the options available to generate financial investment, drawing on lessons from successful regeneration initiatives across Salford and exploiting the concentration of Council owned land and buildings in Swinton town centre.
Trafford	Stretford	Arrangements are being made to hold a stakeholder event in July, this will focus on progress with Stretford's current masterplan and is likely to consider how the creation of the new university academy campus can be maximized alongside improvements to transport links.