

Manchester City Council Report for Resolution

Report to: Executive – 9 September 2020

Subject: Charles Street & Granby Row Development Framework

Report of: Strategic Director (Growth & Development)

Summary

This report presents a draft development framework for three sites largely within a single ownership: Victoria Park and Charles Street in the wider Oxford Road Corridor area; and Granby Row within the Piccadilly regeneration area of the city centre.

The report requests that the Executive approve the framework in principle, subject to public consultation. The draft framework sets out the vision and guiding development principles for the comprehensive redevelopment of the three areas.

Recommendations

The Executive is recommended to:

- Note the site context and opportunities presented by the draft framework for three key strategic sites within the city;
 - Approve the draft Charles Street & Granby Row Development Framework as a basis for consultation with local stakeholders;
 - Request the Strategic Director – Growth & Development undertakes a public consultation on the framework with local stakeholders; and
 - Request that a further report be brought back to the Executive, following the public consultation, responding to the comments received.
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Wards Affected

Piccadilly & Rusholme

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city
Each development plot brought forward within the Victoria Park, Charles Street and Granby Row framework area will need to be carefully considered in order to ensure that they support the City in meeting its zero-carbon target.
The redevelopment of underutilised and inefficient buildings which have a negative contribution on the carbon footprint of the city centre will provide the opportunity to deliver development which meets the highest standards of energy efficiency.

Development should aspire to deliver exemplar, industry-leading accreditations, such as BREEAM – Outstanding, and have a net zero-carbon impact.

The sites are all in highly accessible locations within the city centre and the wider Oxford Road Corridor, and will benefit from excellent and sustainable transport infrastructure. Local and national rail and Metrolink services are available at Manchester Piccadilly, a 5-minute walk from both the Charles Street & Granby Row sites. The Victoria Park site will benefit from the significant transport infrastructure investment made in recent years within the Oxford Road Corridor. This has included the successful Cross City Bus Priority scheme, implementation of segregated cycle lanes and creating and enhancing pedestrian routes to the city centre and key transport hubs. These initiatives have improved cross-city connections and reduced journey times for active travel and those using public transport. This site is also within walking distance of the Manchester Royal Infirmary and University campuses.

The proposed introduction of new public realm will allow for the activation of the spaces and enhance the green infrastructure amenity within the framework areas.

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The draft development framework presents a coordinated and holistic vision for the redevelopment and regeneration of three distinct areas of the city centre and Oxford Road Corridor. Development will provide a range of job opportunities during construction and in the future operation and management of the student accommodation, residential development and commercial spaces created. Students make a significant economic contribution to Manchester whilst they live and study in the city. Development within the Oxford Road Corridor area, in close proximity to the primary University campuses, which creates a high quality residential offer for students is critical for Manchester's Universities' ability to attract and retain students in a global market. It is envisaged that the provision of high quality PBSA and residential accommodation at various price points, tenures and sizes will support this. Well-connected, purpose-built student accommodation in appropriate locations will also free-up residential properties in other parts of the city, further away from the Universities,

	increasing the supply of good quality homes for sale and rent to Manchester residents.
A highly skilled city: world class and home grown talent sustaining the city's economic success	Development at the Victoria Park, Charles Street and Granby Row sites provides the opportunity to reinvigorate areas of the city which are currently underutilised. The sites are positioned in prominent gateway locations to the Oxford Road Corridor and Manchester Piccadilly Station. The Oxford Road Corridor, a world-class innovation district with a workforce of almost 80,000 people, is also home to one of the largest clinical academic campuses in Europe, and generates around 20% of the city's GVA. The development framework also sets out the opportunity to create affordable / key worker housing in close proximity to major employers, such as the Manchester Royal Infirmary, which will support the attraction and retention of the talent necessary for a growing global city.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The proposals set out within the development framework have been developed to align and support the range of regeneration activity in the wider local area. Development adjacent to the two city centre sites is either planned or underway at Piccadilly, Mayfield, North Campus, Kampus, Circle Square and First Street. All of these schemes will complement and benefit from the proposed development at Charles Street & Granby Row. Within the wider Oxford Road Corridor, the provision of new, affordable housing will provide Manchester residents with access to high quality housing in a location which benefits from excellent accessibility by public transport and is located within walking distance of major employers. The proposals will contribute to demand for a range of new residential accommodation which will support the growing city centre population which is expected to increase from current levels of circa 65,000 to 100,000 residents by 2026.
A liveable and low carbon city: a destination of choice to live, visit, work	Development at the sites has the potential to transform a southern entrance point to the city centre. Major regeneration schemes at

	Piccadilly, Mayfield and Circle Square will all see a significant increase in the number of people living, working and spending time in this part of the city centre. Given its location, the framework for Victoria Park, Charles Street and Granby Row can support and benefit from the pipeline of adjacent development. The proposals recognise the importance of creating cohesive, high quality public realm and excellent pedestrian connectivity. This will not only be a catalyst for creating a sense of place at each site, but also ensure strong connections to neighbouring parts of the city.
A connected city: world class infrastructure and connectivity to drive growth	This prioritisation of improved connectivity to surrounding areas will support the major regeneration activity underway at Mayfield, Circle Square and along the Oxford Road Corridor. Development can provide enhanced access to residents and visitors from these emergent developments and deliver critical links to the employment, educational, retail and leisure and cultural opportunities that exist within the city centre. The framework sites are well located; the Charles Street and Granby Row sites are centrally positioned between two major rail hubs, Manchester Oxford Road and Manchester Piccadilly, whilst Victoria Park benefits from excellent bus connectivity and a range of recent active travel infrastructure investment. All of the sites which form the framework area are ideally positioned to drive growth sustainably.

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy;
- Risk Management;
- Legal Considerations.

Financial Consequences – Revenue

Development proposed within the framework would create additional residential and commercial accommodation which in turn would generate additional Council Tax and Business Rates Payments.

The costs of undertaking a consultation exercise on the draft development framework will be funded from within existing approved revenue budgets.

Financial Consequences – Capital

None

Contact Officers:

Name: Louise Wyman
Position: Strategic Director - Growth & Development
Telephone: 0161 234 5515
Email: louise.wyman@manchester.gov.uk

Name: Pat Bartoli
Position: Director of City Centre Growth & Infrastructure
Telephone: 0161 234 3329
Email: p.bartoli@manchester.gov.uk

Name: Dave Roscoe
Position: Deputy Director of Planning
Telephone: 0161 234 4567
E-mail: d.roscoe@manchester.gov.uk

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 officers above.

- Former BBC Site Strategic Regeneration Framework – July 2013
- North Campus Strategic Regeneration Framework – May 2017
- Mayfield SRF – May 2019
- Oxford Road Corridor Strategic Spatial Framework – March 2018
- Oxford Road Corridor Strategic Regeneration Framework Guidance – October 2018
- Report to the Executive – Draft Oxford Road Corridor Strategic Spatial Framework Guidance – September 2019

1.0 Introduction

- 1.1 The Victoria Park, Charles Street & Granby Row Development Framework area covers three sites within the city centre and wider Oxford Road Corridor area. Two of the sites (Charles Street & Granby Row) are located at the south-easterly gateway to the core of the city centre. The third site is located within the wider Oxford Road Corridor at Victoria Park.
- 1.2 IQ is one of the largest providers of purpose-built student accommodation (PBSA) in the UK with a portfolio of over 28,000 operational bed spaces across 68 sites in 28 locations. It is also the second largest provider of PBSA in Manchester, owning and operating circa 3,600 bed spaces across 11 sites. The three sites which form the Charles Street & Granby Row Development Framework are largely within the ownership of iQ Student Accommodation (IQ) who propose a significant level of investment over the next 10-15 years.
- 1.3 Each site is underutilised, with a mix of uses, including; car parking, hotel, student accommodation and commercial spaces including office, retail and leisure. These sites have the potential to make a significant contribution to the realisation of a number of the City Council's strategic objectives, by:
 - Delivering net-zero carbon development, which supports Manchester's aspirations to be a carbon neutral city by 2038;
 - Delivering a significant amount of new affordable housing;
 - Contributing to the ongoing transformation and regeneration of the city centre linking existing and emerging regeneration areas such as Circle Square to Mayfield;
 - Creating vibrant new places
 - Delivering high quality PBSA, close to the academic campus thereby supporting the attraction of talent within the Oxford Road Corridor;
 - Supporting the growth of the tourism economy through the qualitative and quantitative enhancement of the existing hotel offer;
 - The creation of employment opportunities, including for local people, both during the construction phase and during operation once completed.
- 1.4 The framework sets out an overarching vision to create new places and bring underutilised space back into use. Development would seek to provide:
 - Purpose-built student accommodation in a central and well connected location for the Oxford Road Corridor campuses of the University of Manchester (UoM) and Manchester Metropolitan University (MMU) to meet increased demand;
 - An enhanced hotel offer, close to Piccadilly Station;
 - Co-Living accommodation that can diversify the choice of residential accommodation in the city centre and complement / support the concentration of business and commercial activity that shall emerge at Mayfield and at ID Manchester;

- A range of commercial and social spaces such as bars, restaurants and retail facilities, encouraging visitors to spend time and socialise within the area;
- Affordable housing which will support the growing demand for homes within close proximity to the range of employment opportunities on offer within the city centre;
- New connections and generous public realm to create a sense of place and ensure the areas' integration with the wider city centre and its neighbourhoods.

2.0 Development Context

- 2.1 There are a number of key schemes that are currently in development which are located close to the Charles Street & Granby Row Development Framework. The development of the draft proposals for the area have been influenced by these regeneration schemes. Proposals for all sites present a key opportunity to respond to, and complement, development being delivered within these adjacent areas and provide critical linkages from Piccadilly through the Oxford Road Corridor to First Street and Great Jackson Street.
- 2.2 **Circle Square** - The Circle Square masterplan includes 2.3m sq. ft. of floor space comprising of 1m sq. ft. of commercial space. The scheme also incorporates 680 new apartments and 1100 VITA Student serviced apartments alongside retail, leisure and hotel amenities in addition to significant public realm investment. Development of the site started in 2016, with VITA already delivered and fully let; a second, significant phase of development will be completed later this year. When complete it is envisaged that the site will support 9,000 new jobs.
- 2.3 **North Campus** – North Campus / ID Manchester is a £1.5billion regeneration scheme to create a world-class innovation district at the former University of Manchester campus. A SRF for the area was approved in May 2017 which details the ambition to transform the 26-acre site into a leading European innovation district. The site has the potential to deliver 3.5 m sq. ft. of mixed use space, incorporating 3 acres of public realm. This will include 2.6 m sq. ft. of offices and the potential to create 6,000 jobs.
- 2.4 **Piccadilly** – The vision for Piccadilly is to deliver a major new district for Manchester with a world-class transport hub at its heart. The arrival of HS2 and NPR into Manchester will provide a once-in-a-century opportunity to transform and regenerate the eastern side of the city centre. The SRF for Manchester Piccadilly sets out a commercially led, mixed use regeneration scheme with the potential to support up to 40,000 new jobs, 13,000 new homes and circa 9 m sq. ft. of new commercial development.
- 2.5 **Mayfield** – The 20-acre Mayfield site represents the opportunity to create a distinctive and unique city centre district. The area forms part of the wider Piccadilly Strategic Regeneration Framework area however, benefits from its own SRF. This framework outlines the scope to deliver a commercially led

mixed use neighbourhood supported by a significant residential community alongside unique retail and leisure amenities and a new city park. When complete the site will deliver 1.6 m sq. ft. of office space, 1,400 new homes, a 350-bedroom hotel, a range of unique retail and leisure amenities and support 10,000 new jobs. A range of temporary uses have already been successfully held including Escape to Freight Island, Dirt Factory, and a range of major events including Pride and Manchester International Festival. The first phase of development, including the new Mayfield Park, is due to start on site later in 2020.

- 2.6 **Oxford Road Corridor** - The Oxford Road Corridor is a key zone of academic excellence, innovation and entrepreneurship within Greater Manchester, with more employment creation potential than anywhere else in the city region. The area is already home to almost 80,000 jobs, over half of which are within knowledge-intensive sectors, including the health, education and professional, scientific and technical sectors. Employment within the Oxford Road Corridor has increased by 11 % over the last four years and the area accounts for 20% of Manchester's GVA, totalling over £3.6 billion. Future growth forecasts for the area estimate the creation of an additional £2 billion of GVA and a significant growth in employment, taking the total number of FTE jobs to over 104,000 by 2025.

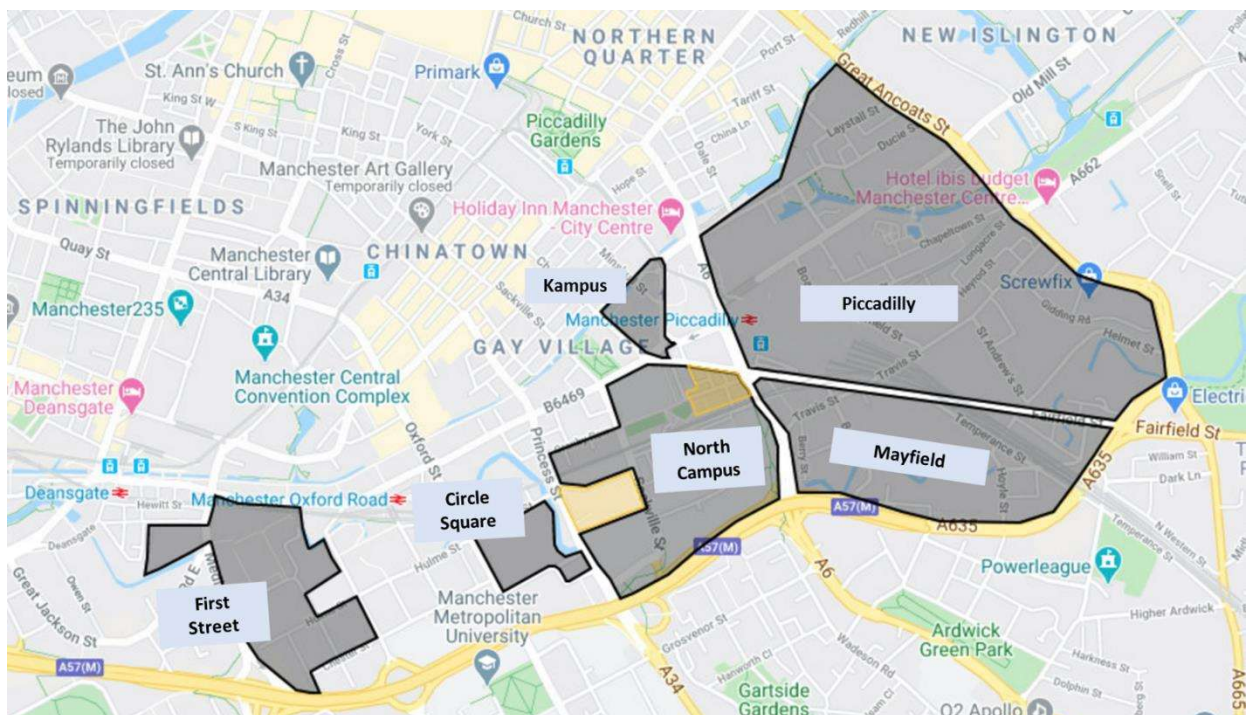


Fig 1.1 – Adjacent development areas

3.0 Charles Street Area

- 3.1 The Charles Street framework area is bound by Charles Street, Princess Street and Sackville Street.

- 3.2 The site is located within the Oxford Road Corridor, strategically positioned to the immediate west of ID Manchester and, to the east, is separated from Circle Square by Princess Street.
- 3.3 Charles Street represents an opportunity to create a new destination within a currently underutilised part of the city centre, making it an attractive place to live, visit and spend time. Existing buildings on the site include Weston Hall (PBSA), the Pendulum Hotel and the IBIS hotel. The buildings are dated, make little contribution to the quality of the physical environment and, in the case of Weston Hall / Pendulum Hotel, and act as a barrier to pedestrian movement from east-west between Oxford Road and Piccadilly. The site also includes a surface car park with a frontage to Princess Street which is within the ownership of UoM.
- 3.4 The draft framework outlines the scope to provide a combination of new PBSA, residential accommodation and a range of commercial and social spaces such as bars, restaurants and retail facilities at ground floor level alongside generous new areas of public realm. Density could be significantly increased at the site and taller buildings could be appropriate.
- 3.5 Public realm and green space is proposed adjacent to Princess Street, Charles Street and Weston Hall that would complement the existing public space and improve pedestrian connectivity through the site. Delivering new public realm which prioritises the pedestrian environment will require exploration of the potential to prevent through-traffic within Charles Street.
- 3.6 The draft framework seeks to prioritise enhanced connectivity and improve the integration of Charles Street and Granby Row with other parts of the city centre. Neighbouring development at Great Jackson Street, First Street, Circle Square and Mayfield are already creating significant increases in the number of people living, working or visiting this part of the city centre. Providing safe and secure connections between each of these areas, in addition to key transport hubs, is of fundamental importance to the function of the city centre.

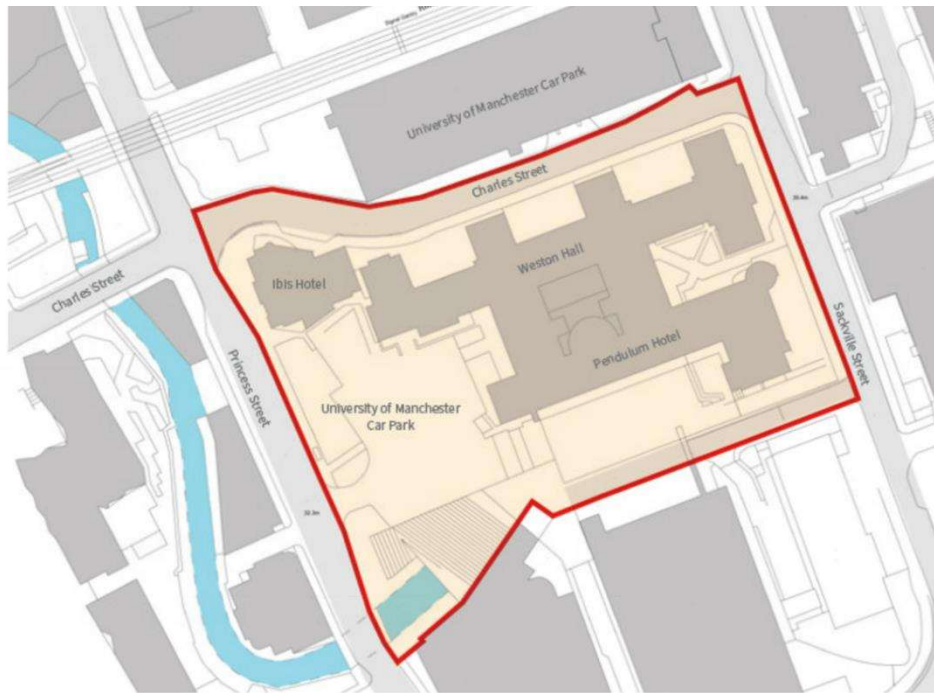


Fig 1.2 – Charles Street Site

4.0 Granby Row Area

- 4.1 The Granby Row framework area is in the Whitworth Street Conservation Area, where the boundary of the Oxford Road Corridor meets the Piccadilly and Mayfield SRF areas, and within the 'Southern Arc' of higher density development extending from the Great Jackson Street area in the west to Mayfield in the east.
- 4.2 The framework area is bounded by Fairfield Street and London Road, and occupies a prominent location, adjacent to Piccadilly Station and Mayfield. The site holds the potential to provide a landmark eastern gateway into ID Manchester, the Charles Street framework area, Circle Square and First Street.
- 4.3 Granby Row contains 5 buildings; IQ are the freehold owners of the Echo Street, Lambert House, Fairfield House and Warehouse One buildings in addition to holding a 150-year lease for Bainbridge House. The functions of these buildings are as follows:
 - **Echo Street** – A Co-Living / PBSA development which is presently under construction.
 - **Bainbridge House** - A largely vacant office building
 - **Lambert / Fairfield House** – Purpose Built Student Accommodation
 - **Warehouse 1** – Student Accommodation
- 4.4 The framework proposes a landmark building at Bainbridge House directly opposite Piccadilly Railway Station. The draft framework sets out guiding

principles for the delivery of a 55 storey building housing a hotel and co-living accommodation.

- 4.5 The framework sets out principles that would activate Granby Row through the introduction of ground floor commercial uses at Lambert House and Fairfield House, together with enhancements to the surrounding public realm.
- 4.6 The site is close to the University campuses and the principal retail and leisure areas of the city centre, and has historically provided student accommodation. Further purpose-built student accommodation has recently been delivered at Circle Square, and on New Wakefield Street.

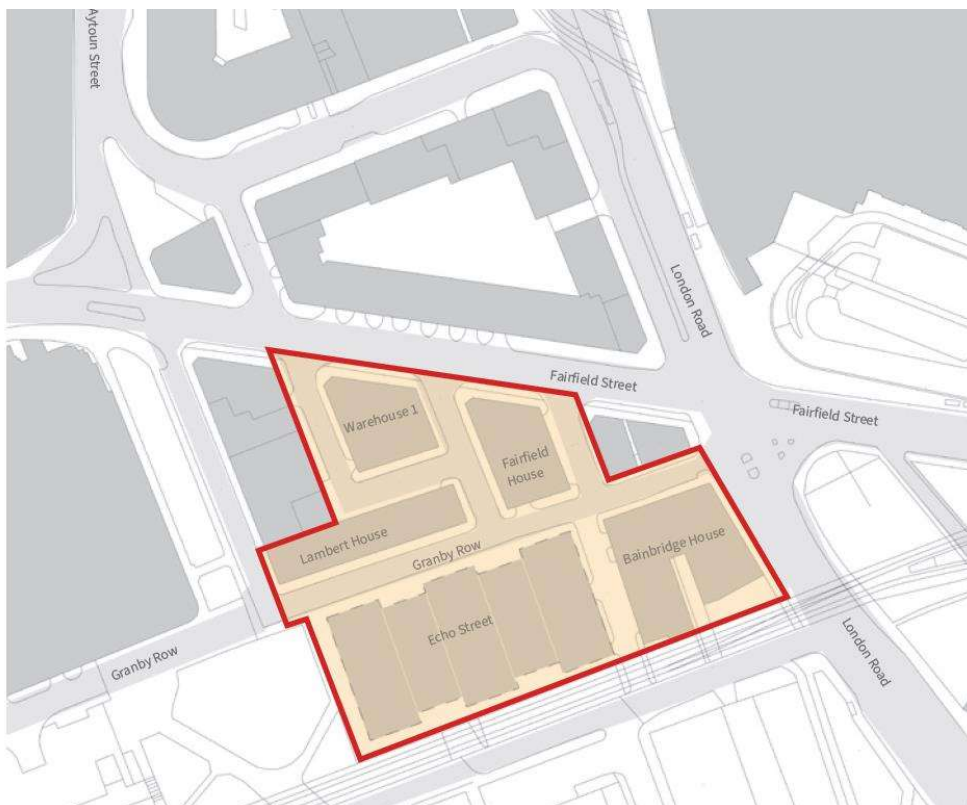


Fig 1.3 – Granby Row Site

5.0 Victoria Park Area

- 5.1 Victoria Park is located immediately south of the Oxford Road Corridor, with Anson Road to the west and Daisy Bank Road to the east.
- 5.2 The area is highly accessible by public transport and close to key employers, such as Manchester University NHS Foundation Trust (MFT) and UoM and other locations identified for future employment-led development within the health and life sciences sectors, such as Manchester Science Park (MSP). The surrounding area is predominantly residential in nature.

- 5.3 The area comprises the Manchester Gardens and Daisy Bank Hall student accommodation sites, situated within the Victoria Park Conservation Area. The buildings are of poor architectural quality and detract from the historic character and appearance of the conservation area. As gated developments they also preclude access by the wider community and prevent pedestrian movement east to west. There is, therefore, a significant opportunity to repair the townscape qualities of this part of the Victoria Park Conservation Area, and to enhance its character and appearance.
- 5.4 The draft development framework proposes the release of land within Victoria Park to a Registered Provider (RP) for the provision of affordable / key worker housing. The site could accommodate up to 300 homes of a variety of styles and sizes (including houses and apartments) of mixed tenure (e.g. shared ownership, affordable rent and social rent) along with associated areas of public open space and facilities for car and cycle parking. The site has the potential to provide 10% of the city's remaining affordable housing target to 2025, and accommodation could be targeted at key workers.
- 5.5 A detailed analysis of the special qualities of the Victoria Park Conservation Area has been undertaken and is presented in Appendix 5 of the draft framework. This analysis has informed the creation of development principles which could help to guide the future development of the site. For example, the height of buildings is to be restricted to three storeys where adjoining existing housing on Langdale Road. There may, however, be opportunities for buildings of greater height on Anson Road.
- 5.6 The development principles proposed a sensitive approach to architectural details and the use of materials, e.g. the need for use of traditional building materials, such as red brick, with detailing to reflect the distinctiveness of the existing townscape within the Conservation Area. The framework sets out the opportunity to incorporate new areas of open and green spaces between buildings and new footpaths to connect the area; as well as the creation of legible entrances and active frontages. Limited levels of parking are proposed, in favour of public and active transport, with parking to be provided outside individual houses or within communal parking areas, while the provision of secure cycle storage is encouraged for all properties.

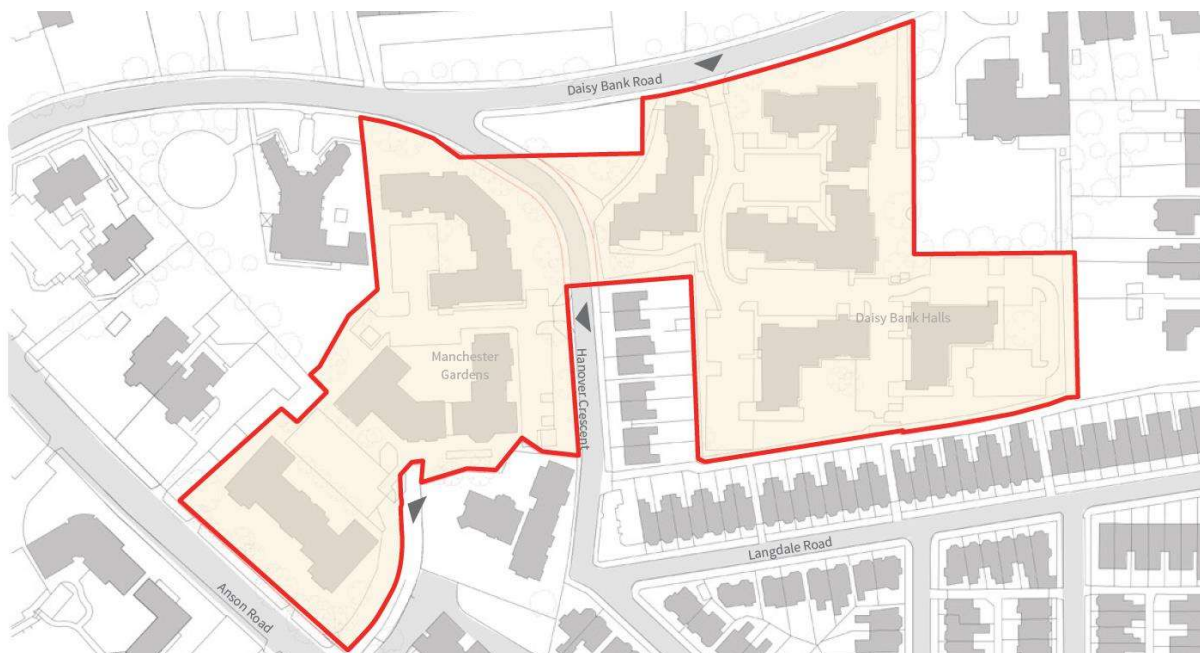


Fig 1.4 – Victoria Park Site

6.0 Pre-Draft Development Framework Consultation

6.1 IQ Manchester have carried out some initial, informal consultation during the process of developing the draft framework in order to understand the views of local members, residents and organisations. In addition to meetings with local Members (Piccadilly, Rusholme and Ardwick wards), and the universities, a number of local stakeholders were contacted (tenants, statutory consultees such as Historic England, Network Rail etc) as well as a total of 4,000 homes and businesses in and near to the development areas to invite feedback and a total of 34 responses were received during this period of consultation. The key issues raised are set out below, and have been taken into account within the final draft document. An accompanying Consultation Report has also been prepared which summarises the following feedback:

- Housing need and tenure – the level of affordable housing, student accommodation and co-living accommodation;
- Scale of development - in particular, appropriateness of scale height, density and distance between buildings;
- Planning and consultation – including how the framework links to the North Campus framework and the need for more local engagement;
- Environment and sustainability – the provision, and amount, of green space, sunlight and daylight, and more information on zero-carbon development and social cohesion;
- Detailed local issues – including the impact on local areas (both during and after construction) and amenity provision;
- Heritage – the impact on key buildings and their surroundings;
- Highways and parking – including parking arrangements, traffic calming, pedestrian routes, cycle provision and the impact on bus routes.

- 6.2 Subject to Executive approval, a formal consultation exercise on the draft development framework will be undertaken by the Council, in line with the usual process for regeneration and development frameworks.

7.0 Environmental and Sustainability Design Principles

- 7.1 Sustainable development holds a vital role in all regeneration initiatives across the city. The city's approach to climate change has significantly intensified in recent years and it is envisaged that all development proposals will play a fundamental role in tackling climate change and supporting the city's carbon-neutral strategy.
- 7.2 To effectively support the Council in achieving its 2038 zero-carbon target, the development of regeneration proposals within the Charles Street & Granby Row Development Framework will need to consider:
- Innovative development design which achieves the highest standards of sustainability;
 - How construction can be undertaken sustainably to minimise impacts on the environment;
 - An approach to connectivity which prioritises sustainable transport. This should seek to prioritise active travel through the provision of functional and attractive pedestrian routes and cycling infrastructure. Additionally, development should maximise the excellent nearby public transport connections;
 - The draft proposals for the Charles Street site details opportunities to introduce new, generous areas of public realm and green space. This will deliver better activation of the spaces within the framework area and enhance the green infrastructure amenity which will have a positive impact on the surrounding built environment.

8.0 Conclusion

- 8.1 The Charles Street & Granby Row Development Framework covers important but underutilised parts of the city, with the potential to significantly contribute towards Manchester's regeneration and growth ambitions. Development of these sites can:
- Support the continued growth of Manchester's diverse population through the provision of high quality residential accommodation;
 - Introduce new public realm, green space and amenity provision into the area and make it an appealing place to visit and spend time;
 - Deliver connections which link together the mix of established city centre neighbourhoods and transformational regeneration underway in this part of the city; and

- Provide a significant quantum of affordable / key worker housing. In particular, the proposals have the potential to accommodate up to 300 affordable homes of varied of types at Victoria Park.
- 8.2 The draft framework sets out the opportunity to provide a mix of high quality accommodation including a significant quantum of student accommodation, and new homes for Manchester's working households, all located to benefit from the wide range of employment opportunities, cultural and leisure amenities and education facilities within the city centre. The sites are particularly well positioned with regards to the city's higher education institutions and the MFT site, with the potential to provide accommodation to support employees and students of these important institutions.
- 8.3 As part of project delivery, IQ will work to safeguard and sustain existing employment. Significant new jobs will be created through construction and operation. Section 6 of the draft framework details circa 275 FTE jobs during construction and c270 jobs when operational in leisure, retail and building management roles. In the Granby Row area, Bainbridge House currently accommodates 4 business occupiers, with leases due to expire in August 2021. The standard of the office accommodation in Bainbridge House increasingly doesn't meet modern business requirements; there is sufficient alternative (and higher quality) supply within the city to accommodate relocations. IQ will work positively and constructively with all occupiers that remain to support them in ensuring business continuity.
- 8.4 IQ are engaging with the operators of the Nursery located in Weston Halls (part of the Charles Street area) and will work proactively to find alternative premises to facilitate relocation, when phasing necessitates this. The Nursery has previously been located on the Echo Street site, and IQ successfully worked with the operators to relocate to Weston Halls, maintaining employment and the effectiveness of the operation. The Pendulum Hotel (also part of the Charles Street area) is presently operated by IQ: The development framework proposes replacement (higher quality) hotel accommodation on Bainbridge House, which will offer opportunities for staff relocation. Where displacement may occur, IQ will work with existing staff to identify other recruitment opportunities within the wider, extensive IQ estate within Manchester.
- 8.5 The development framework presents initial details of the planned phasing of development which will ensure the re-provision of employment opportunities within the proposed PBSA at Granby Row from that presently available at Manchester Gardens / Daisy Bank Hall
- 8.6 Recommendations can be found at the front of this report.

9.0 Key Policies and Considerations

(a) Equal Opportunities

- 9.1 The proposals will create enhanced connections to the surrounding city centre communities, providing excellent access for local residents to the amenities and opportunities within the area. Additionally, as planning applications are developed within the framework area, there will be an expectation for developers to demonstrate a continued commitment to ensure that design standards throughout comply with accessibility standards.

(b) Risk Management

- 9.2 The Draft development framework will be the subject of a community consultation exercise with the local community and key statutory and non-statutory stakeholders. This exercise will seek to identify and mitigate key issues and risks relating to the future development of the site.

(c) Legal Considerations

- 9.3 Subject to Executive approval to go out to consultation a further report will be brought to the Executive after the public consultation exercise which will set out the comments received and any changes proposed to the framework. If the update to the framework is subsequently approved by the Executive, it will become a material consideration in the determination of planning applications by the Council as the Local Planning Authority.