

**Manchester City Council
Report for Resolution**

Report to: Executive – 11 September 2013

Subject: High Speed 2 (HS2) Consultation and HS2 Manchester Piccadilly Strategic Regeneration Framework (SRF)

Report of: The Chief Executive

Summary

This report outlines the Government's consultation on the High Speed 2 (HS2) rail link from the West Midlands to Manchester and Leeds, the growth opportunities this presents for Manchester City Region, and the work officers are undertaking to ensure the Council can respond fully to the consultation. It also presents a draft Strategic Regeneration Framework (SRF) for the wider Piccadilly area, building on the opportunities presented by HS2 and the Northern Hub rail schemes.

Recommendations

The Executive is recommended to:

- i) Note the details of the HS2 consultation process, the potential opportunities presented for Manchester, and work which is being undertaken to ensure the Council can respond fully to the consultation exercise.
- ii) Consider the draft SRF for Piccadilly and agree that the Chief Executive undertakes a public consultation exercise, with the outcomes of the consultation to be brought back to the Executive in December.
- iii) Request the Chief Executive to report on a substantive response to the HS2 consultation to the Executive in December, including local impacts and on the HS2 Station at Manchester Airport.

Wards Affected:

All.

Community Strategy Spine	Summary of the contribution to the strategy
Performance of the economy of the region and sub region	An efficient and well functioning transport network is essential for the economic wellbeing of the city and Greater Manchester. A high-speed line between Manchester, the West Midlands and London will support business development in the region. The scheme has the potential to provide a catalyst which can attract further investment into Greater Manchester by creating a new gateway into the regional centre and boost investor confidence in the area. Specifically, the proposals for HS2 stations at Manchester Piccadilly and Manchester Airport provide major opportunities for stimulating economic growth and regeneration in the surrounding areas.
Reaching full potential in education and employment	Development of a high-speed rail network serving the city centre and the Airport will contribute towards the continuing economic growth of the city, providing additional job opportunities for local residents.
Individual and collective self esteem – mutual respect	The economic growth brought about by HS2 and the regeneration of the Piccadilly area could help provide additional job opportunities for residents, as well as improved connections to jobs in the city centre and beyond.
Neighbourhoods of Choice	HS2 provides the opportunity for the regeneration of the Piccadilly area as a key gateway to the city, with a unique sense of place. This could include the creation of new residential neighbourhoods and significant new public spaces

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The costs for preparing the business case for the HS2 Piccadilly and Airport Stations and the SRF are being shared jointly between TfGM and the City Council. The Council's contribution is being met from the existing City Centre Regeneration and

Strategic Development budgets. In addition, there will be officer time involved in preparing the response to the consultation.

Financial Consequences – Capital

There are no capital consequences for the City Council at this stage. The substantive report to be presented in December will evaluate the detailed business case for earlier interventions by the public and private sectors and structures for delivering these.

Contact Officers:

Name: Sir Howard Bernstein
Position: Chief Executive
Telephone: 0161 234 3006
E-mail: h.bernstein@manchester.gov.uk

Name: Pat Bartoli
Position: Head of City Centre Regeneration
Telephone: 0161 234 3329
Email: p.bartoli@manchester.gov.uk

Name: Dave Roscoe
Position: Head of City Centre Planning
Telephone: 0161 234 4567
Email: 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 contact officers above.

High Speed Rail: Investing in Britain's Future – Consultation on the route from the West Midlands, Leeds and beyond (July 2013). Available at <http://www.hs2.org.uk/phase-two/route-consultation/document-library>

Mayfield report and Strategic Regeneration Framework and Greater Holt Town Report and Regeneration Framework included with this agenda.

Reports to Executive on High Speed Rail Consultation – 27/7/11 and 16/3/11.

1.0 Introduction

- 1.1 This report outlines the Government's consultation on the High Speed 2 (HS2) rail link from the West Midlands to Manchester and Leeds; the opportunities this presents for Manchester (in particular for the area around Piccadilly Station); and the way that the Council is planning to respond to the consultation. It presents a draft Strategic Regeneration Framework (SRF) for the Piccadilly area, building on the opportunities presented by HS2 and the Northern Hub rail schemes, and seeks Members' approval to take this framework out to public consultation in order that it can inform our response to the HS2 consultation. The report on the Mayfield SRF elsewhere on the agenda should be considered alongside this report.

2.0 Background

- 2.1 The HS2 Phase Two West Midlands to Manchester proposal for an initial preferred route and stations was announced on 28 January 2013. The proposal includes two stations in Manchester for HS2 trains – one at Manchester Piccadilly and the other at Manchester Airport.
- 2.2 On 17 July 2013, the Secretary of State for Transport announced the public consultation on the proposals for Phase 2. The consultation explains the proposals for, and seeks views on, the proposed route and stations; sustainability impacts; how the additional rail capacity created on the existing railway network could be used; and the opportunities to introduce other utilities along the route. As well as the written documentation, a series of public consultation events will be held by HS2. Manchester events are scheduled for 9 January 2014 at Wythenshawe Forum and 10-11 January at Manchester Town Hall.
- 2.3 The deadline for responses to the consultation is 31 January 2014. The information submitted will be taken into consideration by the Secretary of State in taking his decision on the route, which is due to be announced by the end of 2014.
- 2.4 There will be further consultation at local levels, focusing on the impact of the proposals within communities. We are still awaiting further details from HS2 and will be working closely with their Community and Stakeholder Engagement Team on the best ways of delivering the consultation. The December report will address local issues which should be embraced by HS2 in the detailed development of designs beyond the consultation period. The focus of this report is on the strategic implications of the proposals for Manchester and on the Piccadilly area in particular.

3.0 The Manchester Context and Opportunities

- 3.1 The delivery of HS2 should provide a massive economic boost to the cities of the North of England. The scheme will provide essential additional capacity across the rail network, shorten journey times between Britain's major population centres, boost the economy and create thousands of jobs. The

Government has created the HS2 Growth Task Force in order to set out options and make recommendations on driving growth and unlocking the economic potential of the project. This will include how HS2 can be used as a local and regional catalyst for economic growth and regeneration. The Chief Executive has been appointed as the Deputy Chair of the Task Force.

3.2 HS2 has the potential to provide a catalyst which can attract further investment into Greater Manchester by creating a new, attractive and highly connected gateway both to Manchester Airport and the regional centre, generating significant business, retail and leisure opportunities, significant additional Gross Value Added (GVA) and employment benefits. Specific benefits include:

- Providing additional capacity for both passengers and freight – demand on the West Coast Main Line will increase significantly over the coming years, with the existing capacity of the line insufficient to meet growth. The new line could also, with the addition of some new infrastructure to connect with the existing network, facilitate faster regional and inter-regional services and improved local rail services into Manchester city centre.
- Better connectivity for residents of Greater Manchester to opportunities in London and the south-east of England, and potentially Europe.
- Increasing economic prosperity in Greater Manchester by increasing the productivity of Greater Manchester businesses, providing a well-connected location for businesses, and enhancing the functionality and international connectivity of Manchester Airport.

3.3 The phased development of the network will serve proposed stations at Manchester Airport and Manchester Piccadilly from 2032. HS2 brings the opportunity to provide world-class transport nodes at Manchester Piccadilly and Airport, connecting Manchester businesses to the Europe-wide high speed network, and providing excellent multi-modal connectivity to the rest of the region and beyond. At the same time, the Northern Hub rail schemes will bring additional capacity to the classic rail services at Piccadilly Station, by means of two new platforms, and improve services and connectivity to and from the city.

3.4 The additional investment in Piccadilly represents a unique opportunity to transform and regenerate the eastern gateway to the city centre and push the boundaries of the city centre eastwards. This can link to the Council's aspirations to transform the eastern fringe of the city centre across Great Ancoats Street, and provide important connectivity and opportunities to major regeneration areas in the east of the city including Greater Holt Town (the Regeneration Framework for which is also included on the agenda) and the Etihad Campus.

4.0 Manchester's Approach to the Opportunities

4.1 The City Council is working with TfGM, Network Rail and HS2 to ensure that

Greater Manchester is “HS2 Ready”, and thereby accelerate and maximise the economic benefits to the sub region, in terms of employment and productivity of HS2 itself, planned classic rail investment, and associated investment in and around Piccadilly.

- 4.2 Over the coming years there will be the requirement for at least two major investment interventions in and around Piccadilly Station – one related to the Northern Hub works and the other in relation to HS2, along with the possibility of extending the capacity of Metrolink at Piccadilly Station and improving its operational flexibility. It is considered important that these become inter-related and co-ordinated, not only to secure a seamless transition and to reduce blight and costs, but also to provide the earliest possible base for positively promoting growth and to accelerate, wherever possible, the generation of investment and jobs. A robust planning and development framework explaining how these opportunities should be harnessed is considered to be an essential part of this process, and one which will provide confidence to businesses and to investors about the long term development of the area.
- 4.3 This overall approach is designed in particular to achieve the following objectives:
- 4.4 **Early delivery of additional classic rail capacity:** Accelerating the delivery of an HS2-ready station, with two additional functional platforms, will deliver additional capacity for existing or new conventional rail services, enhancing the kind of connectivity (and thus GVA) benefits anticipated from the Northern Hub and accelerating them by a decade or more. Preliminary investigation suggests that there will be particular opportunities once phase 1 high speed services start to run to Birmingham from the mid 2020s.
- 4.5 **Early transformation of the station:** HS2 should become the catalyst for turning Piccadilly into the kind of iconic gateway that HS1 has made at St Pancras. This would mean GVA benefits to GM beyond the impact of HS2 (and the capacity it frees up) on business to business and labour market connectivity. A significant proportion of these additional place shaping, gateway and broader branding benefits can be accelerated by bringing forward the station enhancements. Critical will be the agreement of a specification for a suitably iconic and future proofed Piccadilly station, including improved interchange with other transport modes.
- 4.6 **Minimising blight and saving costs.** Delivery of the HS2, Northern Hub and other infrastructure work will result in significant disruption in the area around Piccadilly Station. The current timescale for HS2 will mean that this disruption will be extended, impacting on business performance and investment, as well as holding back the realisation of a significant proportion of the benefits of the Northern Hub for an extended period. Maximising the benefits from the development therefore also means a need to minimise the impact of works at the station on the redevelopment of the immediate area. At the same time, combining the works necessary to deliver the HS2, Northern Hub and possible

Metrolink works could reduce the net costs of advancing the wider station project.

4.7 **Providing investor confidence:** Early delivery of the station and surrounding infrastructure also provides an opportunity for investors to anticipate some of the full benefits of HS2 itself, and would provide a visual demonstration of the potential of the area. This means the project is about making the surrounding area HS2-ready as well as the station itself. This would be a key regeneration benefit, helping to stimulate some early investment in the area which could act as a catalyst to the longer term development.

4.8 Work is currently underway to quantify these benefits in order that a business case for providing an accelerated integrated HS2 Piccadilly station, and the facilities and infrastructure needed, can be provided to Government as part of our response to the consultation. This analysis will include an evaluation of funding sources and possible new instruments.

5.0 HS2 Manchester Piccadilly Strategic Regeneration Framework (SRF)

5.1 In order to respond to the opportunities presented by HS2 and the Northern Hub, a Strategic Regeneration Framework has been developed for the area surrounding Piccadilly Station (the "HS2 Manchester Piccadilly SRF" which is appended to this report). This proposes significant changes in the vicinity of the station and also sets out our preferred options for the design and functionality of the station itself. The SRF, together with the work on the business case discussed above, will provide the basis of our response to the HS2 consultation.

5.2 The SRF builds on work to update the regeneration framework for the Mayfield area, which is covered in a separate report on the agenda. The Mayfield area is included within the wider Piccadilly SRF, but to some extent can be viewed as a stand-alone area, less dependent on the developments at the station itself. It is therefore considered beneficial to also have a separate SRF for Mayfield, and to consult on it alongside the wider Piccadilly framework. The HS2 Piccadilly SRF is also part of the overall strategy to regenerate the east of the city and has been developed in the context of the Greater Holt Town Regeneration Framework, also reported on the agenda.

5.3 The starting point for the SRF is the once-in-a-century opportunity provided by HS2 and the Northern Hub to create a world class transport hub and arrival point into the city, and to transform the eastern side of the city centre by defining a unique sense of place and new districts and providing key linkages between East Manchester and the city centre. The size and scale of the area – approximately 140 acres - also means it is one of the largest regeneration opportunities within the city centre.

6.0 SRF Themes

6.1 A number of key themes have informed the proposals within the SRF. These are:

- **Maximising the opportunity** – using the catalyst of HS2’s arrival to create a new gateway and extend the boundaries of the city centre eastwards to the inner ring road and beyond.
- **Place making** – creating a new district focussed around the station and a new Boulevard with public spaces, streets and buildings that generate activity and promote city pride.
- **Townscape integration** – an area with its own character but also a seamless extension of the city centre which facilitates new routes and better connections.
- **Neighbourhoods of choice** – a diversity of neighbourhoods that attract people to live, work and socialise in.
- **Transport connectivity** - creating proposals that capture the potential for Piccadilly Station to be one of the world’s great transport buildings which can capitalise on the area’s unique location on the doorstep of one of Europe’s largest multimodal transport interchanges.
- **Market viability** – defining proposals that offer a clear vision to investors and which are flexible and able to adapt to changes in demand.

6.2 The key proposals within the SRF are set out below.

(a) Neighbourhoods of Choice

A number of new neighbourhoods with strong individual identities are proposed. These are:

- Piccadilly North – reinstating the historic street pattern.
- East Village – mixed-used development with residential focus around canal basins.
- Piccadilly Central – an area of large office developments around public squares and high-rise residential towers framing a new city park.
- Mayfield – a new mixed-use city quarter on the banks of the remediated River Medlock (detail provided in the separate Mayfield report and SRF document)
- Links to the North Campus (the old UMIST campus off Sackville Street) and The Corridor area.

(b) Connectivity:

Consideration is given to animated and legible pedestrian connections through the area and with neighbouring areas, particularly to East Manchester, and appropriate road layouts. The station proposals take into account the expansion and connectivity of the public transport infrastructure around Piccadilly.

(c) Uses

A mix of uses is proposed to ensure viability and sustainability, with each neighbourhood given the potential to adapt before and after their redevelopment. Active street frontages should be provided to animate the area, with the opportunity to incorporate a major retail destination into the proposals. The overall scale of the development is of a size commensurate with the city's vision for Manchester and the context of an international transport hub. The potential for over 1.3m square metres (14.4m square feet) of new floorspace has been identified, including 625k square metres of commercial floorspace, 400k square metres of residential and 100k square metres of retail and leisure facilities.

(d) Public Spaces

A crucial part of the SRF is the provision of a network of public spaces to provide a sense of place and foster sustainable growth. Provision is made for a series of public spaces with different scales and characters, including:

- A new boulevard that provides a high quality connection between Piccadilly and the communities of East Manchester, including Holt Town. This is seen as a crucial catalyst for further development.
- A highly visible, redesigned and reinvigorated arrival space at the front of Piccadilly Station.
- A new civic space to the north of the HS2 station concourse.
- A new public park connecting Mayfield Park and the Medlock Valley,

6.3 **Delivery**

An area of the size covered by the SRF could not be delivered in a single phase. It is envisaged that the first phase of work would be focused on the Mayfield SRF area and putting in place the necessary infrastructure for the longer term redevelopment. This is assuming the early delivery of the HS2 infrastructure. Officers are evaluating options for delivery structures for maximising third party investment, the case for public investment and other structures for overseeing development.

6.4 **Station Proposals**

Integration of the HS2 and existing Piccadilly Stations should create a world class intermodal transport facility and architectural statement befitting of Manchester. The SRF includes a Station brief which would provide such a facility, drawing on best practice from other international transport facilities. The essential features of the new station are considered to be high architectural quality; a mix of uses; and intermodal connections for all forms of transport. As part of this, we are evaluating options for the Metrolink facilities at the Station, including better integration with the railway station, better interchange facilities, and improved access. Options for a new coach station and optimal bus and taxi movements are also being considered.

6.5 Consultation

The Executive is asked to authorise a six week public consultation on the HS2 SRF, in line with the consultation proposed for the Mayfield SRF, with a view to bringing back the outcomes of the consultation to the December Executive along with our proposed response to the HS2 consultation.

7.0 Manchester Airport Station

7.1 Officers are working with Manchester Airports Group (MAG), HS2, Network Rail and other stakeholders to evaluate HS2's station proposals at the Airport. This work includes how such a station and its associated facilities can add the most value to the functionality of the Airport, and the creation of new development opportunities; the way in which local transport facilities should be expanded to support connectivity and additional growth; and the business case for investment by HS2 and possibly other stakeholders. The outline of this work will be presented to MAG and the City Council as part of our collective response to the HS2 consultation.

8.0 Recommendations / Key Decisions

8.1 Recommendations appear at the front of the report.