

## **The Executive**

### **Minutes of the meeting held on 2 December 2015**

Present: Councillor– Leese in the Chair

Councillors Andrews, Battle, Chappell, Flanagan, N Murphy, S Murphy, S Newman and Priest

Also present as Members of the Standing Consultative Panel:

Councillors Akbar, Dar, Rowles, Stogia and Rahman

#### **Exe/15/130 Minutes**

##### **Decision**

To approve the minutes of the meeting held on 4 November 2015 as a correct record.

#### **Exe/15/131 Highways Asset Management Strategy and Policy**

A report from the Deputy Chief Executive (Growth and Neighbourhoods) proposed the adoption of a Highways Asset Management Policy and a Highways Asset Management Strategy. A copy of each was appended to the report.

Manchester's highway network includes over 1,300 km of road length, 2,600 km of footway length and more than 350 bridges and structures. Based on the most recent 2014 Local Authority Corporate Accounts valuations, the total highway asset had an indicative gross replacement value of over £2.7billion. It was explained that the city's highway network is the largest, most valuable and most visible community asset for which the City Council has responsibility. It is used daily by the majority of people who live and work in the city and is fundamental to the economic, social and environmental well being of every community. Notwithstanding the significance of the network, the identification of adequate financial resources to maintain the city's highway network had become increasingly challenging over recent years. Whilst the value of pre-emptive investment and maintenance had been proved, the resources available for such investment had become ever more constrained. However, it was generally recognised that failure to invest would result in the deterioration of the network, storing up higher costs for the future.

The report explained that in 2013 work had been undertaken to survey the entire highways asset so that a robust financial model of the network could be developed. That survey had helped to identify the level of investment required to maintain the highways network in a satisfactory condition. The findings were also being used to help in the setting of spending and investment priorities. The condition survey had identified that the level of additional investment that was required significantly exceeded the level of resource currently available. It was therefore essential that best practice was followed and that any monies spent were used in the most cost-effective way to address the maintenance and investment priorities.

It was explained that an element of potential future funding from Government was likely to come from the Highways Capital Incentive Fund. That fund had been established by the Government as an incentive scheme to fund and reward the councils that demonstrate value for money in carrying out cost effective improvements to their highway network. Outside of London every local highway authority in England was to be invited to complete a self-assessment questionnaire that would determine their share of the incentive fund for from 2016/17 onwards. Asset management was to be a key driver of the allocation of the incentive fund, so particular emphasis was being placed on three of the self-assessment questions covering asset management and strategy, communications, and lifecycle planning. The government's guidance was that a Council's Asset Management Policy should be a short and concise statement that described the principles adopted in applying asset management to achieve the authority's strategic objectives. The guidance for the Asset Management Strategy was that it should be a clear and concise high level document setting out how highway infrastructure asset management was delivered for the authority to meet its long term corporate goals and objectives. The two documents now being put forward by the report had been formulated to take account of that guidance. If adopted they would become crucial evidence for the Council's submission for an allocation of money from the Highways Capital Incentive Fund.

The report proposed that in adopting these two documents, the Council should use a formal approach to deciding the priorities for highway maintenance spending. It was explained that the Greater Manchester wide Key Route Network (KRN) had been identified so that the busiest routes and the most strategic connections could be kept under review. The Council's draft Asset Management Policy and Strategy, as appended to the report, therefore set out the Council's approach to investment in the highway network. In the context of the constrained funding likely to be available, the strategy sought to maximise the benefit that would be derived from the available resources and to focus on those elements that supported economic growth.

We also noted that the government's "pothole fund" had been made permanent in the Autumn Statement by the Chancellor. However, the money that was likely to be available from that was not enough to address the potholes in the city's roads, that were themselves a consequence of the degraded condition of some part of the highways infrastructure.

We were aware that the Economy Scrutiny Committee had also recently considered the report and the proposed policy and strategy documents, and had endorsed them both (Minute ESC/15/71).

We welcomed the proposals and agreed to adopt the policy and the strategy documents.

## **Decisions**

1. To approve and adopt the Highway Asset Management Policy attached as Appendix 1 of the report.

2. To approve and adopt the Highway Asset Management Strategy attached as Appendix 2 of the report.

### **Exe/15/132 Jackson's Row (Bootle Street) Strategic Regeneration Framework**

Redevelopment proposals were being put forward for the Jackson's Row area of the city centre, an area bounded by Jackson's Row, Bootle Street and Southmill Street. The area included the site of the former Greater Manchester Police Station on Bootle Street. In 2014 we had approved the making of arrangements with the Greater Manchester Police and Crime Commissioner for the purchase of Bootle Street Police Station, and also approved entering into a land pooling and land sale arrangement with Jackson's Row Development Company (Minute Exe/14/090). Subsequently, in September 2015 we had endorsed the principles set out in a draft Strategic Regeneration Framework (SRF) for Jackson's Row and asked the Chief Executive to undertake a public consultation exercise on that draft document (Minute Exe/15/098). The Chief Executive now reported to us on the outcome of that consultation.

The report explained that consultation letters have been sent out to over 300 local residents and businesses, and the Jackson's Row SRF had been made available on the Council's website. Five responses to the consultation had been received: one from a resident, two from local businesses or building owners and two from statutory or public organisations.

Of the two responses from local businesses: one had expressed concerns regarding the proposals in the SRF that seemed to discourage car access, believing they could make it more difficult to access their building; the other had raised concerns about the threat to the future of the Sir Ralph Abercromby Public House, emphasising the importance of public houses to the success of area.

The response from Historic England commented that the level of detail provided in the document had made it difficult for them to provide a positive response. They did comment that the proposed open nature of the development, particularly at the southeast corner, was a concern for them. They also felt that the SRF had not sufficiently assessed the individual significance of the existing buildings on the site, nor fully considered their contribution to the conservation area.

The resident who had responded had supported the proposals within the SRF.

The report set out the Council's response to the concerns that had been raised by consultees. It described the steps that the Council and the developer had taken or would be taking to address those concern. Amendments were to be made to the draft Framework to address the concerns raised about car access. Further dialogue with business owners and with Historic England was to continue as the planning for the redevelopment became more detailed.

Having considered the views expressed by the consultees, and the Council's responses to them, we agreed that the draft of the framework be amended and we endorsed the principles for the development of this area.

## Decisions

1. To note the comments received from local residents, businesses and statutory agencies on the regeneration strategy and the response to the comments.
2. To agree the proposed amendment to the Strategic Regeneration Framework arising from the comments received.
3. To endorse the principles in the revised Jackson's Row Strategic Regeneration Framework and request that Planning and Highways Committee take the framework into account as a material consideration when considering planning applications in the Jackson's Row area.

### **Exe/15/133 Central Retail Park Development Framework**

A report submitted by the Chief Executive presented a draft Development Framework for the Central Retail Park site on Great Ancoats Street on the eastern side of the city centre. Central Retail Park is an established retail destination in the city, occupying the strategically significant site since the late 1980s. There had been a notable decline at the site in recent years: both in terms of retailer representation and the physical condition of the facility. That decline had been made more apparent by the ongoing regeneration of the surrounding neighbourhoods. The report explained that the Central Retail Park site had now been left behind and was failing to benefit from the regeneration of the area. The draft Development Framework had been produced to try to ensure that the strategically important location was utilised to the full.

The report outlined the recent history of the site. In May 2013 planning permission had been granted for retail-led redevelopment that would have overhauled the site and introduced a new anchor foodstore, a cinema, and associated restaurants, bars and cafes (Minute PH/13/66). However, the developer of the site, TH Real Estate, had since been unable to secure a major food retailer willing to develop and open a large store at this site. Since then the retail food market had been changing, moving away from large new stores, and it was now considered to be unlikely that the planning permission for a major supermarket would ever be implemented. The report, and the draft Framework it presented, therefore outlined a set of alternative proposals for the future development of the site. The main elements of those proposals were:

- A consolidated retail park in the northwestern part of the site, comprising refurbished retail units with a radically improved in appearance and market appeal, and including the opportunity to bring forward a smaller food retail store. Reconfigured car parking and servicing arrangements were also proposed.
- The creation of a new high-density residential apartment development on the balance of the site with complementary ground floor uses to activate frontages to help create a sense of place and neighbourhood, thereby supporting investment in the wider area.

The draft Framework also described how the redevelopment could be implemented and the benefits to the site and the surrounding neighbourhood that would arise when these proposed developments were completed.

We welcomed the bringing forward of the draft Framework for the site. It was evident that it was in need of investment and we accepted that the previous vision of a major supermarket was no longer realistic given the changes to the food retail sector in recent years. We were aware of the growing demand for homes and housing in and around the city centre, which these proposals would help address. We agreed that it was important that the final version of the Framework, when presented to us for approval, incorporated a commitment to include in the overall scheme the creation of homes of sufficient size to be suitable for families, and not just blocks of small apartments. This site at the edge of the city centre, close to a new school and a park, was an important opportunity to attract families into new homes in the city, and we wanted to ensure that opportunity was taken.

The intention was for this draft Framework to now be subject to public consultation, and we agreed.

### **Decisions**

1. To endorse the draft Central Retail Park Development Framework as a basis for consultation with local stakeholders and neighbouring landowners.
2. To call for the inclusion in the Framework of accommodation to provide new family homes, to attract families to this area.
3. To note that the outcomes of consultation and a final version of the Central Retail Park Development Framework will be reported to a future meeting.

### **Exe/15/134 Capital programme – Proposed Increases**

A report concerning requests to increase the capital programme was submitted. We agreed to two changes under delegated powers. These two changes would increase the capital budget by £4.072m, financed by: £3.5m development grant from the Arts Council England and £0.572m from the Capital Fund.

### **Decisions**

To approve these revisions to the programme:

1. Leisure Programme - Arcadia Leisure Centre in Levenshulme. To increase the capital budget by £72k in 2015/16, funded by the capital fund.
2. Development Programme - The Factory:
  - (a) To increase the capital budget by £4.0m in 2015/16, funded by a £3.5m Arts Council England development grant and £0.5m use of capital fund.

- (b) To authorise the City Treasurer to determine the correct accounting classification and treatment of expenditure due to be funded by the £0.5m use of capital fund and allow the funding to be available to fund capital or revenue expenditure.

### **Exe/15/135 Great Northern Complex**

The Great Northern complex occupies a major site in a prime location in the city centre. It is situated between the Manchester Central Conference Centre and Deansgate. The complex is a converted Victorian warehouse including a multi-screen cinema, casino, retail/leisure uses and car parking.

A report submitted by the Chief Executive explained that the complex had generally under-performed in recent years and had failed to fulfil its potential to be a leading destination in the city centre. However, since acquiring the site in 2013, the present owners had been developing proposals to re-energise this historically significant site. That process had led to the preparation of a draft Strategic Regeneration Framework (SRF) document setting out proposals to redevelop the site. These proposals should help undo the damaging interventions to the property in the late 1990's and also better utilise and fully realise the true value of the Great Northern site, including its heritage assets.

The report described the changes that were being proposed. This include the conversion of the Great Northern Warehouse to residential use and creating a new pedestrianised "street" at ground floor level to the rear of the Deansgate terrace and running the entire length of the property from Great Northern Square to the Hilton Hotel. The cinema and casino were to be retained but with potential changes to their size and access arrangements. The poorly performing Deansgate mews on the first floor was to be demolished. The report also described the proposed reconfiguration of the Great Northern Square at the north end of the site, promoting its use as an active space in the city centre. Overall, the masterplan envisaged the delivery of:

- 85,000sqft of offices in a new landmark building on Peter Street;
- 265,000sqft of retail, restaurant and leisure spaces forming a series of pedestrianised public streets and squares through the site from north to south and east to west.
- a cinema of some 50,000sqft together with approximately 1,000 public car spaces; and
- 400,000sqft of residential apartments.

The implementation plan for these significant developments was outlined, with four distinct phases of redevelopment to be undertaken between 2016 and 2023.

Councillor Davies, a member representing the City Centre Ward, addressed the meeting. She welcomed the proposals for the site, commenting that in her view the current complex had never really worked. She was looking forward to the consultation, hoping that city centre residents would be engaged in it.

We welcomed the proposals as set out in the report, agreeing that the re-working of the Great Northern site should bring back to life this strategically important and

historically significant site, resulting in a new mixed use city centre destination that was well connected and distinctive. If successful the complex would attract visitors to Manchester and so create job opportunities on the site and also within the wider city centre. The report proposed that there should be public consultation on the draft Framework, and we agreed.

### **Decision**

1. To endorse the principles set out in the draft Great Northern Complex Strategic Regeneration Framework.
2. To note the comments on the delivery strategy, set out at Section 7 of the report.
3. To request the Chief Executive to undertake a public consultation exercise on the draft SRF with local residents, businesses and other stakeholders, and report back to a future meeting.

### **Exe/15/136 Acquisition of Homes and Communities Agency Assets at Grimshaw Lane**

The Homes and Communities Agency owned a number of parcels of development land within East Manchester in and around Grimshaw Lane, also known as 'Weir Pumps'. A report from the Strategic Director (Strategic Development) explained why they were considered to be of significant importance to the Council's growth ambitions and the economic well being of the city. The report explained why, in the context of the economic and investment conditions in the city, the land at Grimshaw Lane was believed to provide a rare opportunity to acquire a substantial parcel of vacant land which was suitable for the clustering of commercial uses and large scale employers that were predominantly industrial in character. The site was likely to be especially important in providing land that would allow for the relocation of existing businesses that were currently based closer to or within the city centre. The relocation of those employers to Grimshaw Lane would in turn create redevelopment opportunities on the sites vacated elsewhere in the city.

Acquisition of the land would provide the City Council with control over the supply of land in the area. It would also enable the Council to decide the timing of the delivery of sites to the market as well as the manner that development was procured.

### **Decision**

1. To agree that the acquisition by the Council of the Homes and Communities Agency land at Grimshaw Lane is likely to promote and accelerate economic growth in the city, for the reasons set out in the report.
2. To delegate to the Chief Executive in consultation with the City Treasurer and City Solicitor authority to conclude the acquisition of these sites on the terms set out in the report in Part B of the agenda (Minute Exe/15/140 below).

3. To authorise the Head of Development and the City Solicitor to take such steps as are expedient to give effect to the above decisions.

### **Exe/15/137 Decisions of the Greater Manchester Combined Authority**

#### **Decision**

To receive and note the Decision Notice of the meeting of the Greater Manchester Combined Authority on 30 October 2015.

### **Exe/15/138 Decisions of the joint meeting of the Association of Greater Manchester Authorities Executive Board and the Greater Manchester Combined Authority**

#### **Decision**

To receive and note the Decision Notice of the meeting of the joint meeting of the Greater Manchester Combined Authority and the AGMA Executive Board on 30 October 2015.

### **Exe/15/139 Exclusion of the Public**

A recommendation was made that the public be excluded during consideration of the next item of business.

#### **Decision**

To exclude the public during consideration of the following item which involved consideration of exempt information relating to the financial or business affairs of particular persons and public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### **Exe/15/140 Acquisition of Homes and Communities Agency (HCA) Assets at Grimshaw Lane (Public Excluded)**

A report submitted by the Strategic Director (Strategic Development) described the financial implications for the Council of the proposed acquisition of the HCA land. It set out a valuation for the sites and the means of funding their acquisition. The commercial opportunities that were likely to arise were also outlined.

#### **Decision**

1. To note the underpinning rationale for the acquisition of the land at Grimshaw Lane as set out in the report