

**Manchester City Council  
Report for Resolution**

**Report to:** Executive – 14 December 2016

**Subject:** Cornbrook Hub

**Report of:** The Strategic Director (Development)

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**Summary**

To seek the Executive approval to utilise Combined Authority powers and to delegate authority to the Chief Executive and Leader to present a report to the Greater Manchester Combined Authority requesting that a Compulsory Purchase Order is made.

**Recommendations**

The Executive is recommended to:

1. Approve the alternative delivery strategy as detailed in section 2 below utilising the Greater Manchester Combined Authority Regeneration Compulsory Purchase powers.
2. Delegate authority to the Chief Executive in consultation with the Leader to present a report to the Combined Authority requesting that a Compulsory Purchase Order is promoted by the Combined Authority in respect of the Cornbrook neighbourhood, as detailed in Appendix One. The report to the Combined Authority will ask the Combined Authority to appoint Manchester City Council to act on its behalf in taking all necessary steps to prepare the case for the CPO, including but not limited to securing an appropriate indemnity in respect of the Combined Authority's costs in promoting and making the CPO.

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**Wards Affected:** Hulme

<b>Manchester Strategy outcomes</b>	<b>Summary of the contribution to the strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	<p>The Cornbrook Hub Strategic Regeneration Framework (SRF) sets the objectives of delivering a distinctive location which will support the continued growth of the city's economy.</p> <p>The SRF will see the creation of a residential and commercial destination around a major transport hub. The delivery of this will provide a range of new employment opportunities within the city centre</p>

<p>A highly skilled city: world class and home grown talent sustaining the city's economic success</p>	<p>The delivery of the Cornbrook SRF will see the creation of a number of new jobs across a range of sectors. The retail and leisure offer in addition to the new commercial space will both attract new organizations to the city and facilitate the expansion of existing commercial core of the conurbation.</p> <p>The delivery of the Cornbrook SRF will also provide additional homes within the close proximity to both the job opportunities created.</p>
<p>A progressive and equitable city: making a positive contribution by unlocking the potential of our communities</p>	<p>The proposals contained within the Cornbrook SRF will deliver desirable residential development adjacent to a major transport hub providing resident access to key retail, leisure and transport nodes.</p>
<p>A liveable and low carbon city: a destination of choice to live, visit, work</p>	<p>The Cornbrook area benefits from a major transport hub ensuring connectivity and access which in turns will ensure that the area can be accessed by visitors, residents and commuters without the reliance on car usage.</p>
<p>A connected city: world class infrastructure and connectivity to drive growth</p>	<p>The Cornbrook Hub will benefit from strong transport links especially in respect of the Metrolink.</p> <p>New public spaces and connections are proposed, which will significantly improve the environment of this part of the City centre.</p>

### **Environmental and Climate Change Impacts**

The regeneration proposal set out in a Strategic Regeneration Framework (SRF) includes new high quality public realm as part of the overall development, which would significantly improve the environment of this part of the city centre. The Cornbrook area benefits from a Metrolink station within the vicinity, reducing dependence on car borne journeys. The SRF seeks to develop pedestrian walkways and cycling access, which will provide residents with linkages to surrounding neighbourhoods and city centre districts.

The SRF includes a commitment to the highest possible standards of urban design and sustainability within the proposed commercial development through innovative building design, promoting low energy use. Sustainable design and development principles will be tested at planning application stage.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

### **Financial Consequences – Revenue**

None – all revenue costs including officer time will be reimbursed under the terms of the agreed indemnity agreement by Manchester Ship Canal Developments

### **Financial Consequences – Capital**

None – all capital costs will be reimbursed under the terms of the agreed indemnity agreement by Manchester Ship Canal Developments

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### **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.

### **General documents**

The Cornbrook Hub SRF (available on the council's website)

**Council Reports**

Cornbrook Hub, Executive, 18th December 2013

Cornbrook Hub, Executive, 3rd September 2014

Cornbrook Hub, Executive, 29th July 2015

## **1.0 Introduction**

- 1.1 The Executive's of both Manchester City Council and Trafford Metropolitan Borough Council (MBC) have previously approved the basis for a Compulsory Purchase Order to drive forward the regeneration of the Cornbrook area in and around the Cornbrook Metrolink station using Town and Country Planning Act Powers. This report now seeks to amend that strategy by seeking to use Regeneration Compulsory Purchase powers newly acquired by the Greater Manchester Combined Authority. Such an approach will enable powers that are much broader in scope to be deployed and the CPO process should be more cost efficient and should deliver an outcome much faster than using the Town and Country Planning Act powers.

## **2.0 Background**

- 2.1 The Cornbrook area is situated on the fringe of the city centre and is part of a ribbon of development around the Bridgewater Canal and railway lines that links the city centre with other parts of the regional centre within Salford and Trafford. This area is currently not playing its full role in the renaissance of the conurbation core both in terms of employment growth and new residential development. The Cornbrook area falls within the boundaries of both Manchester City Council and Trafford Metropolitan Borough Council. Manchester Ship Canal Developments (MSCD) has a significant landholding in the Cornbrook area. MSCD, and the work they have undertaken, indicate that significant employment growth (circa 1750 jobs) and several thousand new homes can be unlocked in the wider environs of Cornbrook as this key site is developed.
- 2.2 Whilst the Cornbrook area has many attributes, including the presence of the Cornbrook Metrolink station it is unlikely that significant and comprehensive change can or will take place here in the absence of a co-ordinated approach to its regeneration. The regeneration of the St Georges area has progressed very significantly over the last fifteen years but extending this regeneration momentum westwards into Cornbrook and beyond into Pomona is being held up by the current land uses and ownership structures within Cornbrook. The area in and around the Cornbrook Metrolink Station is in fragmented ownership and has been the home to a range of end uses that has held back and, still does hold back, the regeneration of the Cornbrook area and the Pomona area in Trafford.
- 2.3 The MSCD strategy for the Cornbrook Hub includes creating a new commercial, residential and leisure destination, recognising the importance of the site's location as a "Gateway" between Manchester and Trafford. The regeneration proposals for Cornbrook will include significant environmental improvements to the immediate area and a potential new entrance and improved car parking to the Cornbrook Metrolink Station. In respect of their wider land interests MSCD proposes to deliver residential led development schemes in the Pomona area in Trafford.

- 2.4 In order to support the regeneration of the Cornbrook Hub, Manchester City Council and Trafford Council have adopted a strategic regeneration framework (SRF) for Cornbrook. The Framework document identifies how the area could be transformed to create a new commercial and leisure destination, which supports significant new employment and business growth opportunities.
- 2.5 The area which is covered by the SRF is located on the city fringe of the Manchester and Trafford border and is bounded by Chester Road, the Bridgewater Canal and the Cornbrook Metrolink Station. The total site area includes around 2.3 hectares of land that is divided into two distinct parcels by an operational railway/ metrolink system. One parcel of the site is located within the boundary of Manchester, with the remaining parcel located in Trafford.
- 2.6 The Cornbrook Hub SRF aims to deliver high density commercially led, mixed use development of the land within Manchester and Trafford. It would create a new gateway to Manchester city centre from the West and would improve access to the Cornbrook Metrolink Station, a major transport hub. A broad range of uses are anticipated including office space, residential, (circa 100 dwellings) retail and a hotel. The proposals could deliver it is estimated around 1750 new jobs during construction and upon occupation, including local employment opportunities.
- 2.7 The Cornbrook Hub SRF sets out that a regenerated site could deliver an area that is integrated and well connected with its surroundings; the replacement of incompatible land uses with high quality buildings within a much higher quality environment; and reuse of the railway arches; the Bridgewater Canal and Irwell City Park and associated pedestrian/cycling routes and the provision of local amenities for the community improved permeability through the site providing improved access to the Cornbrook Metrolink station;
- 2.8 The land located in Trafford, is bounded by the Bridgewater Canal and the viaduct and divided into two sections by Cornbrook Road. The northern part is 1.10 hectares and is occupied by heavy industrial uses and the southern site is around 0.21 hectares and is vacant.
- 2.9 The regeneration of the Cornbrook Hub requires comprehensive large scale development and land assembly to transform the area, and deliver the step change required to ensure that it becomes a recognised new commercial, retail and leisure venue. The regeneration of the Cornbrook Hub will also enable the full redevelopment potential of the Pomona Island area to be achieved, by not only providing a gateway to Manchester City Centre, but also forming a new gateway onto the Pomona Island area. This would enable the delivery of a minimum of 1,100 new residential dwellings (Ref: Trafford Local Plan, Land Allocations-draft consultation January 2014) on the adjacent Pomona Island site, with the potential to increase this by a further 1,000 properties, which in turn will provide the impetus for the delivery of a real transformational scheme across the whole of the area.

- 2.10 The Executive in July 2015 considered a report in respect of the lands within Manchester forming part of the Cornbrook Hub neighbourhood seeking in principle the use of Town and Country Planning Act Compulsory Purchase powers to deliver the comprehensive regeneration of the lands. A similar report was also submitted by Trafford colleagues to their executive in July 2015 in respect of the remaining lands which fall within Trafford.
- 2.11 The above report requested the executives to endorse the approach to the delivery of the Cornbrook Hub site as set out within the report. The approach adopted was that both authorities would make their own Compulsory Purchase Orders which would be promoted in parallel through the confirmation process and managed by a project team made up of officers from both authorities with Manchester taking the lead role.

### **3.0 Change of strategic delivery approach**

- 3.1 Under the Greater Manchester Devolution Agreements, the Combined Authority (CA) will be given powers to purchase land compulsorily. For the reasons explained below, it is now considered appropriate to utilise these new powers to promote a CPO.
- 3.2 Secondary legislation containing the devolution powers was laid before Parliament in November 2016 and will come into effect in December 2016.
- 3.3 Under the secondary legislation the power to make a CPO will rest with the CA until such time the elected Mayor takes office. After that time the CPO powers will be exercisable by the elected Mayor with the consent of the Combined Authority members for the areas affected by the proposed CPO
- 3.4 The CPO powers provided under the secondary legalisation include powers which correspond to those CPO powers available to the Homes and Communities Agency (HCA). Therefore it is considered that the relevant section in respect of the HCA compulsory purchase powers taken from the Government's updated CPO guidance should be taken into account in respect of a CPO by the CA using those powers.
- 3.5 The following is an extract from the new government guidance:

*“The Homes and Communities Agency has compulsory purchase powers to acquire land and new rights over land under subsections (2) and (3) of section 9 of the Housing and Regeneration Act 2008. The agency can only exercise compulsory purchase powers with the authorisation of the Secretary of State. The Homes and Communities Agency can use its compulsory purchase powers to make a compulsory purchase order to facilitate the achievement of its objects set out in section 2 of the Housing and Regeneration Act 2008 (as amended). These are:*

- *to improve the supply and quality of housing in England*
- *to secure the regeneration or development of land or infrastructure in England*

- *to support in other ways the creation, regeneration or development of communities in England or their continued wellbeing*
- *and to contribute to the achievement of sustainable development and good design in England*

*with a view to meeting the needs of people living in England.*

3.6 Having regard to the above, the advantages of using the proposed Mayoral/CA CPO powers in respect of the Cornbrook Hub over the initial approach endorsed by the Executive would be:

- The proposed new powers are wider than the planning CPO powers held by MCC and TMBC and are, in some respects, easier to use for the following reasons:
  - Government guidance suggests that they are more flexible, and may therefore allow a Framework “approach” to CPOs more easily than powers currently available (e.g. proceeding without the need for planning permission to be in place)
  - The powers are not subject to the “well-being” requirements that attach to a planning CPO (i.e. the requirement to demonstrate that the proposed development will contribute to the promotion of the economic, social or environmental well-being of the Council area).
  - The wider geographical jurisdiction of the Mayor/CA should allow a CPO to be promoted across the local authority boundary, without the need for separate CPO’s to be made in each authority.
  - The CPO would cover the area of the approved Cornbrook Regeneration Framework in Manchester and Trafford, thereby ensuring the full delivery of the SRF objectives and ensuring the future sustainability of the area.
  - More cost efficient and in some cases speedier to deliver the outcome

3.7 However, as with any CPO, the acquiring authority must demonstrate a compelling case in the public interest for the use of the CPO power. This would include demonstrating that there are no impediments to the proposed development/regeneration taking place, including any physical or legal impediments such as planning issues or funding issues.

3.8 Therefore, in relying on the existing regeneration framework as a basis for the CPO, it is likely that some of the elements of work required to submit a planning application and secure planning permission would have to be undertaken in order to provide reassurance to the Inspector, in the event of a Public Inquiry, and to the Secretary of State that no impediments to the proposed development exist.



#### 4.0 Next Steps

- 4.1 The Executive is asked to approve the alternative delivery strategy set out in this report and the Recommendations above. If such approval is given, then it is proposed that authority is delegated to the Chief Executive in consultation with the Leader to work with Trafford Borough Council to prepare a report for consideration by the Combined Authority requesting the promotion of a CPO by the Combined Authority in respect of the Cornbrook Hub.

#### Indicative Timeline for CPO process

Reports to Councils Executive Seeking authority to submit report to Combined Authority (CA)	Trafford 19 December 2016 Manchester 14 December 2016
Report to GMCA requesting the utilisation of Combined Authority powers and delegation to Chief Executives and Lead members for Trafford and Manchester to promote the CPO	January 2017
CPO report prepared along with statement of reasons	March 2017
Submit Compulsory Purchase Order	<b>Early April 2017</b>
Objection period ends	Early June 2017
Relevant letter received to hold Public Inquiry	Late June 2017
Statement of Case submitted	Early January 2017
Estimated date for Public Inquiry	February 2018
Secretary of State's decision received	May 2018
Confirmation Notices	Late May 2018
6 weeks judicial period ends	Mid July 2018
General Vesting Declaration order sealed	August 2018
Lands vest in Combined Authority ownership	December 2018

#### 5.0 CPO Indemnity Agreement

- 5.1 As with the previous CPO strategy being pursued using Town and Country Planning Act powers subject to Agreement, MSCD will, underwrite the total cost of the CPO process. Under the agreed CPO Indemnity Agreement MSCD initially agree to indemnify both Manchester City Council and Trafford Council for internal officer time commitments, and any external consultant time, incurred through the CPO process. They will also provide an indemnity for all compensation liabilities associated with the CPO. Subject to Executive approval of the recommendations in this report, an indemnity would also need to be provided by MSCD in respect of any costs incurred, and compensation payable, by the Combined Authority in promoting and making the CPO.

- 5.2 The CPO Indemnity Agreement envisages that a project team, comprising representatives from MSCD, Manchester City Council and Trafford Council will be established that will meet regularly to oversee the making and confirmation of any CPO. Given that the project team has been meeting to discuss the early stages of the CPO and Manchester City Council has been taking the lead role, it is proposed that the Combined Authority appoints Manchester City Council to act on its behalf, in consultation with Trafford Borough Council, to take all steps necessary to prepare the case for making the CPO; to prepare a report to the CA setting out the justification for the CPO and seeking authority to make the Order, and; thereafter to take all necessary steps to secure the confirmation of the Order in compliance with applicable legislation and guidance.
- 5.3 The Indemnity Agreement also envisages that an account will be held by MSCD's solicitors into which MSCD will pay in advance a sum equivalent to both Councils and, where appropriate, the CA's best estimates of the likely costs involved in each stage of the CPO process. The Authorities will then be able to draw funds down from this account to fund their internal and external costs incurred through the CPO process. The CA will not be obliged to exercise its CPO powers to acquire any remaining third party interests unless and until MSCD has paid into the account a sum equivalent to the total outstanding CPO liabilities of the CA and/or Councils, as agreed between the CA, the Councils and MSCD.
- 5.4 Finally, the agreement includes a commitment from MSCD to proceed with the development once commenced, subject to market conditions and demands and in consultation with Trafford and Manchester Councils.

## **6.0 Progress to date**

- 6.1 Since July 2015 significant progress has been made through the negotiations in assembling the land required for the proposed development, all the former lease holders, holding over have now vacated, the formal closure of Westminster Street has been obtained, terms agreed with Clear Channel and the demolition of vacant properties and subsequent hoarding off of the sites has been completed.
- 6.2 Extensive negotiations have been held with, Hutchinson 3G UK limited Bennett recycling, Mancunian Springs and their appointed surveyors including extensive accompanied visits in respect of potential relocation sites across the region, these are ongoing and will continue as long as necessary
- 6.3 Planning approval for the creation of access road and new car parking beneath existing arches to provide 71 parking spaces for new residential development of 164 apartments at Pomona Wharf was approved under application ref 9034/FO/2015/C14 on the 10 August 2015. Alongside the above application an application in Trafford was approved under ref 85822/FUL/15 for the erection of 11 storey building of 86 apartments and 10 storey building of 78 apartments with ground floor link, provision of car parking, access from Hulme Hall Road, new landscaping and refurbishment of footpath alongside Manchester Ship Canal/River Irwell.

## **7.0 Proposed Indicative Redevelopment timetable**

- 7.1 MSCD have worked with both local authorities to prepare a delivery strategy for the Cornbrook Hub site, which has been derived from the key principles set out in the Cornbrook Hub Regeneration Framework. A copy of the illustrative delivery plan for the Cornbrook Hub site is attached is at Appendix 1
- 7.2 The City Council propose to utilise the approved and adopted Cornbrook Hub Regeneration Framework, plus additional supporting planning studies to support the CPO process in order to ensure and demonstrate that there are no planning or other impediments in respect of the proposals for the Cornbrook Hub scheme as advised by Counsel in order to promote a successful CPO. The existing approved and adopted Cornbrook Hub Regeneration Framework document, provides an agreed framework for the scale, mass and type of new development.

The draft delivery programme includes:-

**Phase 1a** (being the part of the Cornbrook Hub site falling within Manchester):  
Creation of a new hotel destination: Start on site proposed late 2019.

**Phase 1b** (being the part of the Cornbrook Hub site falling within Trafford):  
Site remediation and decontamination in readiness for a new commercial business hub: Works could commence late 2019

**Phase 2:** Development of the 1<sup>st</sup> residential apartments at Pomona Island:  
Commenced onsite April 2016 – completion expected September 2017

**Phase 3 / 4:** Delivery of future residential and commercial phases at Pomona Island will be over a period of 5 - 10 years following completion of the CPO process/securing vacant possession of the Cornbrook site

The above draft timescales assume that land assembly can be completed by the end of 2018.

## **8.0 Concluding Remarks**

- 8.1 The proposed change of strategic delivery will ensure that the full objectives of the Cornbrook Hub SRF, adopted by both Trafford MBC and Manchester City Council, will be delivered holistically and in a controlled, phased approach in order to create a new commercial destination which supports significant employment and business opportunities.

## **9.0 Recommendations**

- 9.1 Recommendations are at the front of this report

## **10.0 Contributing to the Manchester Strategy**

**(a) A thriving and sustainable city**

- 10.1 The Cornbrook Hub Strategic Regeneration Framework (SRF) sets the objectives of delivering a distinctive location which will support the continued growth of the city's economy.
- 10.2 The SRF will see the creation of a residential and commercial destination around a major transport hub. The delivery of this will provide a range of new employment opportunities within the city centre

**(b) A highly skilled city**

- 10.3 The delivery of the Cornbrook SRF will see the creation of a number of new jobs across a range of sectors. The retail and leisure offer in addition to the new commercial space will both attract new organizations to the city and facilitate the expansion of existing commercial core of the conurbation.
- 10.4 The delivery of the Cornbrook SRF will also provide additional homes within the close proximity to both the job opportunities created.

**(c) A progressive and equitable city**

- 10.5 The proposals contained within the Cornbrook SRF will deliver desirable residential development adjacent to a major transport hub providing resident access to key retail, leisure and transport nodes.

**(d) A liveable and low carbon city**

- 10.6 The Cornbrook area benefits from a major transport hub ensuring connectivity and access which in turns will ensure that the area can be accessed by visitors, residents and commuters without the reliance on car usage.

**(e) A connected city**

- 10.7 The Cornbrook Hub will benefit from strong transport links especially in respect of the Metrolink. New public spaces and connections are proposed, which will significantly improve the environment of this part of the City centre.

**11.0 Key Policies and Considerations**

**(a) Equal Opportunities**

- 11.1 A key aim of the Cornbrook Regeneration Framework is to support the creation of new homes and employment opportunities within an improved public realm setting. There is a commitment to ensuring that the design standards comply with the highest standards of accessibility.

**(b) Risk Management**

- 11.2 Not applicable, however, the project team will meet on a regular basis and review any issues, risks which may arise.

**(c) Legal Considerations**

- 11.3 Representatives from the city solicitors form part of the project team.