

**Manchester City Council  
Report for Information**

**Report to:** Economy and Regeneration Scrutiny Committee – 16 October 2023

**Subject:** Update on the activities and initiatives to support and develop District Centres

**Report of:** Director of Development & Director of Communities

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**Summary**

This report provides information on the activities and initiatives to support and develop District Centres. The report describes the progress to date following the findings and recommendations of the District Centres Subgroup, and includes an update on the Shared Prosperity Fund (SPF).

**Recommendations**

Economy and Regeneration Scrutiny Committee Members are requested to note and comment on the contents of this report.

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**Wards Affected:** All

**Environmental Impact Assessment** - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

District Centres hold the potential to contribute significantly to the city's zero carbon target, though the extent and nature of that contribution will depend on the particular interventions being delivered in each centre.

Where significant new residential development is set to occur, for example, efforts will be made to reduce carbon impacts both during construction and the operational life of the new homes, with a fabric first approach to design and the selection of appropriately sustainable materials and building systems. This will include heat pumps and solar PV.

With investment and targeted physical changes many district centres have the potential to facilitate much greater active travel than at present, and this has been a topic of focus for the development frameworks produced to date and the projects selected for Shared Prosperity Funding.

For district centres or locations of significant scale (e.g. Wythenshawe, Strangeways) there may be options for larger interventions at a neighbourhood-wide level, be that in terms of energy generation or distribution. As these areas come forward officers will work with private developers, JV partners and stakeholders to identify and investigate such opportunities.

**Equality, Diversity and Inclusion** - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

Many of the city's district centres contain significant levels of deprivation, with those residents often facing additional health inequalities. Creating and sustaining safe, vibrant district centres that provide new jobs, homes and opportunities therefore supports the Council's broader promotion of equality and diversity.

In addition, as specific projects and interventions are developed and delivered an Equalities Impact Assessment will be undertaken by the relevant officer/service, as required.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The District Centre Programme is focused on realising the potential of the city's district and local centres and high streets, in terms of both new jobs and new homes. Delivery of the projects in this programme will provide opportunities for new jobs, training and social value to be delivered.
A highly skilled city: world class and home grown talent sustaining the city's economic success	A set of successful, attractive district and local centres across the city will be places where people want to live and work, and where businesses want to locate.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	There remains significant unrealised potential in Manchester's district centres, and this programme of work aims to address that directly through a range of investments and interventions.
A liveable and low carbon city: a destination of choice to live, visit, work	As above, district centres can contribute significantly to Manchester's zero carbon target, and the investments and projects going into the district centres are with the clear intention of making them better, more liveable places.
A connected city: world class infrastructure and connectivity to drive growth	The district centre programme includes consideration of local infrastructure needs, and uses development frameworks as a tool both to plan for future infrastructure, as well as an evidence base with which to secure the necessary funding.

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

**Equal Opportunities Policy**

None directly from this report.

**Risk Management**

None directly from this report. Risk is considered on a project by project basis by the relevant service.

**Legal Considerations**

None directly from this report.

**Financial Consequences – Revenue**

None directly from this report.

**Financial Consequences – Capital**

None directly from this report.

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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 officers above.

- Economy Scrutiny Committee – 5 March 2020; *District Centres Subgroup – Final Recommendation*

- Economy Scrutiny Committee – 13 October 2022; *District Centre Regeneration*

## **1.0 Introduction**

- 1.1 Manchester's district centres are essential building blocks for the city and are the places where many of our residents live, work, shop, play, meet and visit. Each of these centres has a long history, meaning that as well as often being home to heritage buildings and assets they are also places that people identify with strongly, take great pride in, and wish to see improve.
- 1.2 Manchester's district centres are also key to building the dynamic, fair and inclusive city set out in the Our Manchester Strategy. The district centres each have a role to play in providing new homes, creating new jobs, and addressing the impacts of climate change, as well as helping to deliver key city-wide objectives such as the promotion of active travel and addressing long-standing health inequalities.
- 1.3 Recognising the importance of our district centres and the many challenges they have faced in recent years – including changing patterns of retail spending, the impact of the Covid-19 pandemic, and the growing demand for affordable housing – the Council has applied a renewed focus to these centres. Building on engagement with academics and practitioners across the public and private sectors, and supported by additional staffing and funding opportunities, there is now a District Centres Programme in place. The aim of this programme is to provide a development and regeneration focus to the district centres, building on and aligned with the long-standing work of the Neighbourhoods teams and other services already active in these locations. This report provides an update on that programme, further to the report provided to this scrutiny committee in October 2022.

## **2.0 Background**

- 2.1 Having considered a report about the changing role of district centres in Manchester at its meeting in September 2015, the Economy Scrutiny Committee established a 'District Centre Subgroup' (henceforth referred to as 'the Subgroup') that began work in March 2016. Working with the Institute of Place Management (IPM, based at Manchester Metropolitan University) the Subgroup oversaw a work programme to consider the most effective policy approach the Council and its partners could take to promote successful district centres.
- 2.2 The Subgroup and IPM produced a report and series of recommendations that were considered by this committee at its meeting on 5 March 2020. The Covid-19 pandemic shortly thereafter massively impacted the city-wide economy, and limited the extent to which some of the recommendations could be implemented. However, the pandemic illustrated the importance of the city's district centres for the communities they serve, and the Council continued to drive housing investment and regeneration in those centres as part of Manchester's wider Recovery and Investment Plan.
- 2.3 As above, this committee received an update on district centre investment and regeneration in October 2022. This report sets out progress since then, and

also aims to set the programme in its wider context, reflecting the variety of activity that the Council and its partners undertake in district centres. The report also updates on the specific recommendations made in March 2020.

### **3.0 The District Centre programme**

#### What we mean by a 'district centre'

- 3.1 The city has 17 formally designated 'district centres' in the Local Plan. The District Centre programme does not focus solely on these locations, and depending upon identification of opportunity and need the programme includes local centres (e.g. Moston Lane) and wider neighbourhoods (e.g. Strangeways). For simplicity, this report uses 'district centres' in relation to all such locations.

#### What the District Centre programme covers

- 3.2 It is worth making the point that in some form or another the Council is active in all of the city's district centres throughout the year, providing a wide array of environmental, regulatory and operational services across the Neighbourhoods and Highways services. Similarly, the Council is delivering educational, social care and public health across the district centres. In terms of what this District Centres Programme aims to achieve then, it can be summarised as follows:
- Supplementing existing activity and service provision with resource and expertise around 'development' and regeneration, where there is an identified need and/or opportunity.
  - Helping to better coordinate and prioritise investment and interventions in the District Centres across Council services and external partners
  - Delivering physical and environmental interventions in the district centres to improve those areas and/or facilitate growth and development.
- 3.3 In shaping and delivering this programme it is acknowledged that each district centre has its own context, challenges and opportunities, and the response and interventions by the Council (and in many cases its partners) needs to reflect this. As was stressed in previous reports, it cannot be a 'one size fits all' approach.
- 3.4 Similarly, not all district centres have or need a development and regeneration focus, and do not require a development framework. In some cases, the local challenges are environmental or liveability issues, such as fly-tipping, antisocial behaviour, traffic management, noise etc. In such cases, the interventions would be identified and delivered by Neighbourhoods and other services through existing budgets, or through a specific package of measures (e.g. the Neighbourhood Management Plan being developed for Fallowfield).

### Prioritisation in the programme

- 3.5 In terms of development-led interventions in the city's district centres, this will be dictated by an analysis of need, demand and opportunity. Where the Council has levers, such as land or assets, a stronger basis for intervention may exist.
- 3.6 Clearly, with so many district centres, local centres and high streets, this is a programme that will be delivered over time as capacity and resources permit.

### Funding

- 3.7 There are several funding opportunities available to deliver the district centre programme and kickstart regeneration and investment in and around the district centres. Presently, these include:
- Brownfield Housing Fund: administered by GMCA to gap fund residential development. MCC, working closely with our partners, has secured £20.93m for 1,703 homes (42% affordable) across 30 sites in the first-year allocation of this fund.
  - Evergreen Fund: administered by GMCA also, this provides revenue funding to unlock employment and growth opportunities.
  - Levelling Up Funding: whilst the Council was unsuccessful in its Round 2 applications, a third round is due to be announced in the coming months.
  - Shared Prosperity Fund: this is described in detail later in the report.
  - MCC's Affordable Housing Programme: this can provide gap funding to deliver housing-led regeneration, using the Manchester Housing Providers Partnership (MHPP) framework and grant funding administered by Homes England. A number of the P500 housing sites are also located in and around district centres in north and east Manchester.
- 3.8 Officers continue to liaise with counterparts in GMCA, Homes England and DLUHC to identify and secure ad hoc funding where possible, and to ensure that the Council is best placed to benefit from future funding programmes.

### District Centre Management Plan

- 3.9 Given that the wider local government funding position will remain challenging for the foreseeable future, it is unrealistic to expect sufficient funds to be available from the government and public bodies to deliver all of the Council's ambitions for its district centres. It's therefore crucial that the Council makes best use of its existing revenue and capital budgets, and its assets, to work towards those ambitions. To that end, officers are in the process of developing a 'District Centre Management Plan.' This document will identify funding streams going into specific localities, as well as any property assets located there, alongside the particular challenges or issues that need to be addressed

in that district centre. This will allow a holistic consideration of all the financial levers available to the Council as it seeks to improve a particular district centre.

#### **4.0 Other activity relating to District Centres**

##### Work & Skills

- 4.1 The Work and Skills team continues to support District Centres and High Streets by delivering the SME roadshows within each neighbourhood on a rota basis each month. The team promote the business support available to local business owners and is keen to engage and work with more SMEs businesses across Manchester, especially those who traditionally don't engage with the Council or partners. The team delivering this activity consists of Work and Skills, Neighbourhoods, BIPC and The Business Growth Hub.
- 4.2 In terms of the practicalities of delivery, the team are on hand at an agreed location each month to offer practical advice and support, and there is also the opportunity to signpost to other organisations or providers as some of the 'asks' received from some businesses will be out of scope of this work. Feedback from local business owners has been very positive, stating they often don't know where to start in terms of accessing support or knowing what is available to them. By going 'to the businesses' this approach is clearly meeting an identified need.
- 4.3 To date the Council has delivered 14 SME roadshows, promoted the event to over 900 business owners, and over 130 have reached out to ask for some level of support or information.

##### Planning policy

- 4.4 The District Centre Subgroup recommended that the review of the Local Plan include specific consideration of each district centre and its specific character and needs, and whether or not any amendment is required to the current district centre boundaries.
- 4.5 This work is currently underway, and a Retail and Leisure Study has been commissioned by the Planning and Infrastructure team. This study will look at a number of metrics to assess the 'health' of each of the 17 district centres, and it will also consider whether any adjustments are required to the boundary of each district centre to reflect changes on the ground or long-term development aspirations. The study also considers the quantum of retail and leisure floorspace within each district centre and across the city as a whole, and how that compares to anticipated future need in light of factors including population growth and changing retail and leisure trends.

##### Social infrastructure

- 4.6 The provision of adequate 'social infrastructure' such as health facilities and schools is essential to the creation of successful district centres where people



want to live and stay. Having that infrastructure in place – with sufficient capacity, and with facilities of a suitably high quality – is also essential if the city is to address disparities in health and education outcomes. The District Centres Programme is addressing these imperatives by:

- a) Considering existing provision and future demand for health and education services when developing development frameworks, in dialogue with the relevant services and partners.
- b) Looking at how Council-owned land and assets could be used to provide land or space for health or education facilities.
- c) Maintaining a dialogue with health and social care partners to understand their requirements, and to make them aware of the future development projections in district centres, and the numbers of new homes anticipated.

- 4.7 In respect of the last point, over recent months the Development team have provided a number of briefings to partners across the NHS, Manchester Foundation Trust and the Local Care Organisation, and site-specific discussions continue across a number of district centres. Similarly, there is an ongoing dialogue with Council officers in the Children's and Education team to ensure future housing development is appropriately factored into pupil projections.
- 4.8 With regards to transport, this is considered within the framework of the Greater Manchester Transport Strategy 2040 and the Council's own Transport and Active Travel strategies. Discussions with TfGM take place on a case by case basis to the extent that district centre proposals may impact on or require additional transport infrastructure. Over the medium to long-term, as bus franchising is rolled out there will be opportunities to discuss bus provision in the city's district centres, both with a view to ensuring future capacity meets demand as new homes are built in district centres, and to try and establish improved services and connections between the district centres and key employment locations.

#### District centre cleansing and waste

- 4.9 As part of the 2022/23 budget setting process the Executive approved investment for services within the Neighbourhoods Directorate to improve visual environmental standards in the City Centre, District Centres, and gateway routes (£1.2m). To date District Centres have benefited from steam cleaning in Cheetham, Fallowfield, Moston, Withington and Rusholme (in-progress), and an additional large mechanical sweeper to improve the standard of cleanse. An update on the implementation of this investment was provided to the Environment, Climate Change & Neighbourhood Scrutiny Committee on 7<sup>th</sup> September 2023.
- 4.10 In addition to this investment Biffa are reviewing the cleansing model and have adjusted it to increase the number of place-based ped orderlies (+3 FTE). As part of the Neighbourhood Infrastructure Renewal Capital Investment Fund (£5m in 2023/24), all existing litter bin infrastructure will be renewed or repaired, and new additional litter bins will be procured (citywide theme).

### District centre data and intelligence

- 4.11 The Subgroup and IPM piloted the introduction of footfall counters in a number of district centres, and following the pilot the Council commissioned a private company to install and maintain footfall counters in nine locations<sup>1</sup>, and provide regular reports and analysis. This footfall data is now widely disseminated to stakeholders and community groups, and members, and is welcomed as a useful proxy for the relative health for the wider district centre.
- 4.12 It is recognised that, as with all datasets, there are limitations to footfall counts, the results of which can be impacted by a variety of factors, such as changes to patterns of pedestrian movement, or the opening/closing of a particular shop. There are also increasingly sophisticated opportunities to use digital data to measure activity and spend within a locality. Such options will be kept under review and may be considered in the future as a way to supplement the traditional footfall measure.

### Communications

- 4.13 On a day to day basis the Council communicates with residents and businesses in district centres through a variety of channels, some of which are corporately run and some of which are managed by Neighbourhoods. When there is a specific project being delivered or a proposal being consulted on, for example a development framework, a bespoke communications and consultation plan is developed in conjunction with the Strategic Communications team to ensure meaningful public consultation. This allows local residents, business and community groups to help shape the future vision for their area and the projects being delivered.
- 4.14 Officers are also looking at options to better promote the District Centre Programme as a whole on the MCC website, consolidating information currently located across a number of service webpages.

### Progress to date following the recommendations of the District Centres Subgroup

- 4.15 The findings and recommendations of the District Centres Subgroup were considered by this committee on 5 March 2020. A number of the recommendations have been addressed in the body of the report above, however for ease of reference the table below considers each item in turn.

Recommendation	Update
<i>“...further dissemination of key information of data including footfall and changes in uses is circulated to relevant stakeholders</i>	See paragraph 4.11 above. This has been implemented and is now standard practice.

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<sup>1</sup> Cheetham Hill, Chorlton, Fallowfield, Gorton, Harpurhey, Levenshulme, Rusholme, Victoria Avenue, Withington

<i>within each of the district centres. This will help traders and other organisations in the district centres to better understand potential changing patterns within their respective centres.”</i>	
<i>“...relevant Council services consider where there are opportunities to improve current practices with respect to the maintenance of the public realm within district centres, recognising that any proposed changes to the delivery of public realm services would have to be considered in terms of how this was funded. It could present opportunities to demonstrate good examples of public and private sector services working together better.”</i>	<p>Where public realm improvements are being made in district centres the long-term management and maintenance of those spaces is a primary consideration in their design and in the selection of materials and planting.</p> <p>Where possible public realm plans are developed in consultation with landowners and developers who are bringing forward key sites in the district centre – as well as helping to provide visual harmony, it ensures any adopted public realm is delivered to the appropriate standard.</p>
<i>“...officers to develop options for providing the necessary support to local communities to establish and maintain effective collaborative networks within district centres.”</i>	<p>Some of the city’s district centres have strong and long-established community groups and networks. For example Moston Matters is a group the Council is keen to develop and support. Withington Village Regeneration Partnership (WVRP) including traders, local organisations and public partners supported by SNT work together to guide and inform the development of the District Centre. Work continues to develop and foster networks within district centres across the city.</p>
<i>“...the review of the Local Plan builds on the work and evidence base gathered as a result of the Subgroup’s work.”</i>	<p>See paragraphs 4.4-4.5 above. The review of the Local Plan is underway, and will draw on the evidence base from the Subgroup as appropriate.</p>
<i>“...officers to identify opportunities to influence national policy initiatives including the current link to the High Street Task Force.”</i>	<p>Ongoing. For example, officers have recently fed back to GMCA the challenges with some of the metrics around the Shared Prosperity Fund, and the way in which the Fund fails to consider the complexities of project delivery and the value of strategic frameworks.</p>

## **5.0 Shared Prosperity Fund**

### Background

- 5.1 On leaving the EU the UK was no longer eligible for European Structural and Investment Funds (ESIF). The Shared Prosperity Fund (SPF) was announced in the Government's 2020 Spending Review (SR2) with a commitment that "funding for the UKSPF will ramp up so that total domestic UK-wide funding will at least match receipts from EU structural funds, on average reaching around £1.5 billion per year". However, the distribution of this across all areas of the UK means that the level of funding received by GM authorities under SPF is substantially lower than under the previous ESIF regime.
- 5.2 The SPF is managed by Greater Manchester Combined Authority (GMCA) on behalf of the Department of Levelling Up, Housing and Communities, using guidance and outcome/output measures set by the department. The SPF is framed around three UKSPF investment priorities: Communities and Place, Local Business and People and Skills.
- 5.3 The update in this report focuses on the first of these three priorities, as that is most directly relevant to District Centres. To note, however, MCC has also secured £1.8m of SPF funding under the 'Local Business' theme, which is being used to deliver an SME Enterprise Workspace programme at a number of locations across the city. Officers are also in the process of negotiating with GMCA to secure £870K funding for NEET (Not in Education, Employment or Training) and £1.4m 'Build a business' projects.

### Communities and Place funding

- 5.4 MCC has an allocation £5.013m of Communities and Place funding. A longlisting exercise took place at the start of this year to identify potential projects to receive funding, and the final list of projects set out below was agreed with Executive Members. The selection of projects was based on a combination of:
- The government's SPF funding criteria, and the need for projects to be able to generate the nationally-set outcomes and outputs.
  - Alignment with the Investment Priorities agreed between GM and DLHUC.
  - The desire to use SPF monies to unlock future investment, development and regeneration in District Centres and advance the District Centres programme.
  - The need to build on the momentum already achieved in areas such as Gorton, following the completion of the Hub and approval of the Neighbourhood Development Framework in January 2023.
  - Alignment with wider MCC priorities.
- 5.5 The following list of projects was subsequently agreed with GMCA, and form the basis of MCC's Grant Funding Agreement:

<b>District Centre</b>	<b>Project</b>	<b>Sum allocated</b>
Gorton	Creation of a new public square outside the market	£1.4m
Withington	New public realm on Copson Street and Rutherford Place	£2.1m
Moston Lane	Improvements to pocket parks on Moston Lane	£313K
	Environmental stabilisation interventions: alleygating; commercial waste agreements; changes to parking/TROs off Moston Lane.	£240K
	Production of a Development Framework for Moston Lane, and associated fees and officer time.	£187K
	Remedial works to Simpson Memorial Hall.	£100K
	Local acquisitions to support delivery of the new framework.	£165K
Harpurhey	Production of a Local Infrastructure Framework to support housing and regeneration.	£30K
Cheetham Hill	Production of Neighbourhood Development Framework & Public Realm Study.	£85K
Strangeways	Production of Strategic Regeneration Framework, in conjunction with Salford City Council.	£100K
	Traffic Management and Highways works on Bury New Road to support wider enforcement activity.	£115K
Newton Heath	Production of Neighbourhood Development Framework.	£30K
North Manchester Cultural Place Partnership	Match funding for a larger Arts Council England bid to provide training and activity to build capacity amongst local groups and communities.	£100K

5.6 As illustrated by the list above, MCC has chosen to use the SPF across a number of projects rather than concentrate the funding into a handful of larger interventions. This reflects the desire to use the SPF to kick-start activity

across a number of District Centres, and to put in place a suite of development and regeneration frameworks that will provide a platform and evidence base for future investment and funding bids to government, GMCA and agencies such as Homes England.

- 5.7 It is important to note that due to delays in the government confirming UK SPF funding arrangements these projects and the associated grant agreements were only formally agreed during the course of this year, well into Year 2 of the three year SPF period that runs 2022/23 to 2024/25. Officers are consequently working hard to deliver the required outputs by the SPF deadline of 31<sup>st</sup> March 2025.

### Management and Governance

- 5.8 The Communities and Place projects are being delivered by officers from across a range of services, including Development, Neighbourhoods, Highways and Capital Programmes. The Policy & Strategy team lead on monitoring, reporting and engagement with GMCA, and the Strategic Director Growth and Development chairs an officer board to oversee the MCC programme as a whole. An SPF Local Partnership Board provides governance at the city-regional level.

### Future SPF funding

- 5.9 The government has not indicated whether there will be a further round of SPF after the current programme ends in March 2025. That would in any case be subject to a future Spending Review, and the broader question of how any future government seeks to structure the funding of regeneration and levelling up-type activities. It may also be that GMCA takes on a greater role in establishing and managing such funding as part of future devolution arrangements,
- 5.10 In the interim, guidance for the third round of Levelling Up funding is expected in the coming months. Once the scale of MCC's allocation and the funding criteria are clear, officers will work with Executive Members to consider how it can best be used to support the District Centres programme and other priorities for investment.

## **6.0 Conclusion**

- 6.1 The Council is undertaking significant activity to support and develop district centres, recognising their importance to the city and the central role these locations play in delivering the Our Manchester Strategy. Building on the work initiated by the District Centre Subgroup, the District Centres Programme provides a specific development and regeneration focus, supplementing the long-standing work undertaken in the district centres by Neighbourhoods and other services.
- 6.2 Given the extent of need and scale of opportunity, and the wider local government funding position, the District Centres Programme will need to be a

rolling programme delivered over time. The current focus is on delivering regeneration in a first phase of locations – subsequent interventions will be discussed and agreed with members, and approvals sought as necessary.

- 6.3 Having a district centres programme in place with a clear set of priority interventions – supported by development frameworks and similar documents – will put the Council in a strong position to secure future public and private investment. This Council will use the Shared Prosperity Fund to put such frameworks in place where required, and to deliver tangible improvements in a number of district centres across the city.