

**Manchester City Council
Report for Resolution**

Report to: Executive – 11 March 2020

Subject: Manchester Fort – Draft Development Framework

Report of: Strategic Director (Growth and Development)

Summary

This report provides details of a draft Development Framework for the Manchester Fort Shopping Park in Cheetham ward for consideration by the Executive.

Subject to approval by the Executive, the draft Framework will then be used to form the basis of a public consultation exercise on the proposals contained therein in advance of a final version being brought back for approval by a future meeting of the Executive.

Once a final version of the Development Framework is approved it will then form a material consideration in the assessment of any future planning applications relating to the Manchester Fort site.

Recommendations

The Executive is recommended to:

1. Approve the draft Framework as a basis for a public consultation exercise that will be undertaken with the local community and other stakeholders; and,
 2. Request that a further report be brought back to the Executive following this public consultation exercise, setting out the details of the outcomes of this process and any amendments that have been made, in advance of a final version of the Framework being approved.
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Wards Affected: Cheetham

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city

This report provides detail on a Draft Development Framework for the Manchester Fort Shopping Park, an existing and important retail facility which is located on a main arterial road and which is adjacent to the Northern Gateway, where the City Council is seeking to bring forward up to 15,000 new homes as the city centre expands northwards as a residential destination. The provision of appropriate retail facilities and other supporting uses in this location will reduce car journeys to more distant out of town retail locations.

The modification or development of new facilities will seek to increase and promote use of public transport and active travel and will seek to utilise state of the art technologies and low carbon construction methods in order to transition towards zero carbon targets.

Our Manchester Strategy outcomes	Contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	This report provides detail on a Draft Development Framework for the Manchester Fort Shopping Park, an existing and important retail facility that provides over 700 jobs. The purpose of the Framework is to guide and co-ordinate future redevelopment opportunities to sustain the employment potential of this location.
A highly skilled city: world class and home grown talent sustaining the city's economic success	The provision of good quality retail facilities helps to attract and retain economically active residents.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The Manchester Fort is an important local employment centre in North Manchester. The Draft Framework seeks to promote opportunities to safeguard existing and promote new employment opportunities for local communities.
A liveable and low carbon city: a destination of choice to live, visit, work	The provision of appropriate neighbourhood retail and leisure amenities is important in the creation and sustenance of Neighbourhoods of Choice in North Manchester. The enhancement of offer helps to maximise the contribution of the Shopping Park to the urban fabric, economy and social-wellbeing of the area, thereby supporting the wider regeneration ambitions for North Manchester.
A connected city: world class infrastructure and connectivity to drive growth	The provision of retail and leisure facilities in accessible and appropriate locations plays a critical role in connecting neighbourhoods and driving economic and residential growth.

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

- Equal Opportunities Policy
 - Risk Management
 - Legal Considerations
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Financial Consequences – Revenue

None directly, although the Development Framework will support the retention and development of existing and new commercial space, maintaining and generating Business Rate income.

Financial Consequences – Capital

There are no capital financial consequences arising from this report.

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1.0 Introduction

- 1.1 The Manchester Fort Shopping Park was established as a bulky goods shopping destination in 2004 and has since evolved into one of the largest and most successful retail parks of its kind in the North West. It is a well-known feature of the City's shopping landscape. As owners of the Park, Nuveen, are now looking to continue their long-term investment and commitment to ensuring that the Park continues to play its part in the continued regeneration, revitalisation and growth of North Manchester.
- 1.2 As a thriving commercial destination, the Shopping Park is a key economic driver in North Manchester. The Park sustains local employment, with over 700 employees working across the various stores. A total of over £500 million is spent by visitors at the Park each year, serving as an asset to Manchester's local economy. A large proportion of the customer base is local. The role of the Park as local employer and within the shopping network remains crucial and the future vision for the Park established in the Development Framework seeks to sustain and support its role in an increasingly challenging retail market.
- 1.3 As online retail continues to grow its market share and consumer shopping behaviours change the need for retailers to have a physical presence continues to diminish. Nuveen has identified that there is a need to diversify the Shopping Park in order to maximise its potential and create flexibility to adapt to the changing market. The vision established in the draft Development Framework is supported by a number of development principles which will help inform future investment decisions to secure the long-term prosperity of the Park and ensure that it continues to play an important role for the communities of North Manchester. The Vision seeks to create:
"A balanced, cohesive shopping and leisure experience, which integrates effectively with its surroundings, has 'life' throughout the day and evening, and is appealing and accessible to all sections of the communities which it serves"

2.0 Background

- 2.1 The Manchester Fort Shopping Park occupies a strategic location in North Manchester; adjacent to the intersection of the main radial routes of Cheetham Hill Road and Queens Road. The site is designated as an 'out-of-centre' retail destination in the Core Strategy, offering a predominantly retail market of 'high-street brands' such as Next, H&M, Boots and TK Maxx, along with a limited selection of leisure uses.
- 2.2 The Park plays a significant role in contributing to the economy and social wellbeing of Manchester and complements the City Centre and established district centres of Cheetham Hill, Harpurhey and Newton Heath. It should be noted that the Park is also located adjacent to the Northern Gateway area, which extends northwards from the edge of the City Centre to Queen's Road, incorporating the neighbourhoods of New Cross, Collyhurst and the Lower Irk Valley. Over the next 10 – 15 years the City Council, working with Far East Consortium (FEC) intend to bring forward up to 15,000 new homes in this

location and will play a key part in the local retail offer for new and existing residents in the Northern Gateway.

- 2.3 Since opening in 2004, the Park has undergone an extensive transformation from its bulky goods-focused origins to a high-quality retail destination which provides an offer for both local residents and a broader catchment area. The importance of retaining customers on the Park for longer initiated the introduction of restaurants and other food and drink outlets at the Park. Further recent improvements have included elevation alterations to units 26 and 27 to accommodate a new retailer, JD Sports, reflecting the Shopping Park's capacity to adapt to the changing retail market.
- 2.4 Despite this, the Park remains vulnerable as a result of an increasingly complex retail market; in particular the decline of traditional retail formats and the requirement for retailers to have a smaller physical presence. The Park has significant strengths but also weaknesses. Like all retail destinations it is at risk of decline, which in turn represents a risk to its social and economic contribution. Nuveen have examined its future development potential, and are seeking proactively through this Development Framework to establish objectives and aspirations for the Park, in order to ensure the Park's longevity.

3.0 The Shopping Park and the Development Framework

- 3.1 In preparing the Development Framework, Nuveen has sought to understand the constraints and opportunities that present themselves at the Park, and have worked with City Council Officers to establish a future vision. Despite its unquestionable success as a retail destination and regeneration driver for the North Manchester area, the Shopping Park is not maximising its potential, nor its contribution to the area. It is also at risk of decline despite its many strengths. The draft Framework is a direct response to evolving market conditions and the changing context in North Manchester.
- 3.2 Stemming from the Park's origins, the remnants of the original bulky goods offer, in the form the B&Q Warehouse and Halfords, jar with the character of the Park and its principal 'high street' retail offer. There is limited synergy between this bulky-goods offer and the high street brands, meaning one does not support the other. Extending across the breadth of the Park's northern terrace, B&Q and Halfords create a largely 'dead' frontage which limits activity and dilutes the appeal of the Park.
- 3.3 There is a dominant retail offer and only limited provision of supporting leisure facilities concentrated on a range of food and beverage outlets. Whilst these outlets represent a crucial part of the Park's overall offer and do serve to increase customer dwell time, it is a narrow offer. There is no broader leisure or other offer that serves to extend customer stay, particularly into the evening. The Park is thereby limited by its existing breadth of use and the contribution to the wider area and local communities is consequently restricted.
- 3.4 The Park is generally limited to a non-food retail offer. Aside from the M&S Food, it doesn't have the same breadth of offer as many other retail parks,

with none of the main or budget food retailers represented. The lack of breadth in offer in light of retail market complexities challenges the resilience of the Park. Whilst the Park has successfully maintained high tenancy occupation in recent years, the retail market is becoming increasingly volatile in the face of changes in shopping behaviours. The Park is required to find market opportunities to sustain its tenancy levels and its overall appeal.

4.0 Draft Development Framework

- 4.1 The context set out above underpins the objectives and aspirations contained in the Development Framework attached as Appendix 1 and more broadly the rationale for introduction of greater flexibility of retail and other uses across the wider Park. The opportunities identified seek to allow the Nuveen to positively respond to the circumstances of the Park and the wider retail environment in order to ensure the long term prosperity of the Park.
- 4.2 The vision established in the Development Framework seeks to make much more of the space currently dominated by the remnants of the bulky goods offer through a comprehensive redesign of this section of the Park.
- 4.3 It is envisaged that the redesign can be achieved through the sub-division or remodelling of the existing bulky goods floorplates, as and when leases come up for renewal or earlier opportunities arise. The vision may not be realisable in the short term, but it is important to set a positive context for the future, to support and encourage investment that sustains and enhances the Park.
- 4.4 The redevelopment of the bulky goods floorplates facilitates a significant enhancement of the Park's offer by creating an opportunity to deliver smaller, more flexible units capable of accommodating a variety of new formats. It also opens up the opportunity to further diversify the offer of the Park through the introduction of new leisure uses.
- 4.5 One such example would be the development of a new multi-screen cinema which could act as the anchor leisure use at the Park to serve the local communities in response to a recognised lack of cinema provision across North Manchester, subject to an appropriate and proportionate assessment in impact and sequential terms and satisfying those considerations. The introduction of a cinema would enhance the daytime and evening appeal of the Park. This, in turn, would support and be complemented by an expanded food and drink offer, comprising a range of restaurants, coffee shops, and other establishments. The opportunity also exists to locate a new hotel at the Park given its established location adjacent to the strategic intersection of Cheetham Hill Road and Queens Road.
- 4.6 Within the Park as a whole, the draft Framework envisages some broadening of the retail offer, with the potential for a convenience food offer to help diversify and provide greater resilience for the Park, subject to proportionate testing of impact and alternative locations. This may include the replacement of tenants lost to the Park due to the changing and increasingly challenging retail climate.

5.0 Public Consultation Exercise

- 5.1 Nuveen has already undertaken a period of informal public consultation which provided the local community with an opportunity to view and comment on the draft Development Framework at an early stage of its preparation.
- 5.2 The public consultation was publicised through approximately 2,000 information leaflets distributed to the surrounding community, social media posts and posters in community venues. The leaflets included a tear-off Freepost feedback form.
- 5.3 Two public consultation events were held at the Shopping Park in July 2019 to provide local residents and stakeholders with the opportunity to find out more and to comment on the initial draft document. There was also a dedicated project website which hosted the consultation materials and an online feedback form.
- 5.4 The intention is to now undertake a more formal consultation exercise with residents, shoppers and wider stakeholders focused on the detailed proposals set out in the Draft Framework. Once this consultation has been undertaken and comments made have been assessed and taken into account, a final version of the Framework will be brought back to a future meeting of the Executive for approval

6.0 Next steps

- 6.1 Subject to the Executive's approval, the intention is that the draft Framework will be the subject of a public consultation exercise that will take place in spring 2020 involving landowners, local residents, businesses, developers, statutory and non-statutory bodies and other local stakeholders. Feedback will be gathered to help refine and finalise the Framework.
- 6.2 Once the representations have been assessed, a final version of the Framework, incorporating any necessary amendments, will be brought back to a future meeting of the Executive for consideration and approval.

7.0 Contributing to a Zero-Carbon City

- 7.1 This report provides detail on a Draft Development Framework for the Manchester Fort Shopping Park, an existing and important retail facility which is located on a main arterial road and which is adjacent to the Northern Gateway, where the City Council is seeking to bring forward up to 15,000 new homes as the city centre expands northwards as a residential destination. The provision of appropriate retail facilities in this location will reduce car journeys to more distant out of town retail locations.
- 7.2 The owners of the Park, Nuveen are global investment managers who have a great depth of understanding of the need to respond to climate change and the transition towards zero carbon development.

- 7.3 Nuveen's understanding is embedded across business and is emphasised by its signatory position as member of the Better Building Partnership (BBP) Climate Change Commitment. The BBP is a collaboration of the UK's leading commercial property owners striving to improve the sustainability of their retail portfolio. The BBP commitment highlights the need for buildings to be net zero carbon by 2050 and commits Nuveen (as a signatory) to publicly publish its own pathway for achieving net zero carbon by the end of 2020. This includes and giving due consideration to both new and existing buildings, both operation and embodied carbon, and critically the impact of the energy consumed by buildings' occupiers. In order to improve transparency, Nuveen's commitment also requires that they report annually on the progress achieving net zero and performance of its portfolio.
- 7.4 Moreover, Nuveen are at the forefront of the transition to low-carbon across the real estate industry. Their 'Tomorrow's World' approach places an emphasis on protecting tomorrow's world and addressing a wider range of other environmental, social and governance issues through the implementation of an investment strategy that aligns with action on climate change. A commitment has been made to reduce the energy intensity of their global equity portfolio by 30% by the year 2030.
- 7.5 Nuveen's understanding and commitment to mitigating the impacts of climate change and improving sustainability across the real estate sector underpins the vision and development principles established in the Development Framework.
- 7.6 It is through careful consideration that future development proposals including the modification or development of new facilities will be brought forward at the Shopping Park to ensure that they contribute to both the City's target of meeting its zero-carbon commitment and Nuveen's commitment. Proposals, where appropriate, will need to demonstrate that they follow the principles set out in the Development Plan for the use of the Energy Hierarchy and clearly demonstrate consideration of key environmental objectives including amongst others reducing pollution, reducing emissions from buildings, promoting less waste and encouraging sustainable travel.
- 7.7 Future development proposals at the Shopping Park will seek to increase and promote use of public transport and active travel and will utilise state of the art technologies and low carbon construction methods. The provision of appropriate retail and leisure facilities in this location will reduce car journeys to more distant out of town retail and leisure locations.

8.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

- 8.1 This report provides detail on a Draft Development Framework for the Manchester Fort Shopping Park, an existing and important retail facility that provides over 700 jobs. The purpose of the Framework is to guide and co-

ordinate future redevelopment opportunities to sustain the employment potential of this location.

(b) A highly skilled city

- 8.2 The provision of good quality retail facilities in this location will help to attract and retain economically active residents in this part of the city.

(c) A progressive and equitable city

- 8.3 The Manchester Fort is an important local employment centre in North Manchester. The Draft Framework seeks to promote opportunities to safeguard existing and promote new employment opportunities for local communities.

(d) A liveable and low carbon city

- 8.4 The provision of appropriate neighbourhood retail and leisure amenities is important in the creation and sustenance of Neighbourhoods of Choice in North Manchester.

(e) A connected city

- 8.5 The provision of retail and leisure facilities in accessible and appropriate locations plays a critical role in connecting neighbourhoods and driving economic and residential growth.

9.0 Key Policies and Considerations

(a) Equal Opportunities

- 9.1 The Draft Development Framework is seeking to protect and sustain the functioning of this important Shopping Park, an important retail amenity and employment centre in North Manchester. The Framework will help safeguard and create new employment opportunities and support plans for the creation of new residential growth in the adjacent Northern Gateway area.

(b) Risk Management

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

(c) Legal Considerations

- 9.3 The draft Framework, if endorsed by the Executive, will be subject to public consultation. Following the public consultation exercise, a final version of the Development Framework will be brought back to the Executive incorporating any amendments required. Subject to approval by the Executive, the

Framework will then form a material consideration in the assessment of any future planning applications that come forward for the site.