

**Manchester City Council
Report for Resolution**

Report to: Executive – 3 July 2020

Subject: NOMA Strategic Regeneration Framework Update 2020

Report of: Strategic Director - Growth & Development

Summary

This report presents a draft update to the Strategic Regeneration Framework (SRF) for NOMA, and requests that the Executive approve the framework in principle, subject to public consultation. It also outlines the progress made to date on this major regeneration scheme for the city, and notes a number of key challenges and opportunities over the next few years.

Recommendations

The Executive is recommended to:

1. note the progress made to date at NOMA and the key challenges and opportunities for the next phases of development;
 2. approve the draft NOMA SRF Update as a basis for consultation with local stakeholders;
 3. request the Strategic Director – Growth & Director undertake a public consultation exercise on the framework with local stakeholders; and
 4. request that a further report be brought back to the Executive, following the public consultation exercise, responding to the comments received.
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Wards Affected Piccadilly & Deansgate

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

Development at NOMA will need to continue to be carefully considered in order to ensure that it helps the city meet its zero-carbon target. All construction will be required to meet the highest standards of sustainable development. The repurposing and redevelopment of NOMA's heritage buildings has and will continue to significantly improve the carbon footprint and use of buildings which have in recent times been under-utilised and inefficient.

Given NOMA's highly accessible location within the city centre, development within this neighbourhood will be served by rail and Metrolink services at Victoria, bus connectivity at Shudehill and underpinned by a key priority to continue to enhance active transport routes, delivering additional pedestrian and cycling connections.

Manchester Strategy outcomes	Summary of the contribution to the strategy
<p>A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities</p>	<p>The original Strategic Regeneration Framework for NOMA detailed the aspiration to develop a refreshed innovative commercially-led, mixed-use destination. It was envisaged that this would support the creation of an additional 15,000 jobs and deliver in excess of £25 million annual GVA for Manchester.</p> <p>Just over a decade since this framework was approved 5,300 of these jobs have been created, representing just over a third of the original 15,000 jobs target. Within the next 2 years an additional 5,300 jobs are expected to be delivered as part of the recently consented schemes across the historic estate and new development areas.</p>
<p>A highly skilled city: world class and home grown talent sustaining the city's economic success</p>	<p>The delivery of the next phases of development at NOMA will continue to support new employment and enterprise opportunities for Manchester residents across a range of sectors and levels. In addition, NOMA will continue to drive social value through construction, post development and through its volunteering programme.</p> <p>At NOMA, there is also the opportunity to create further residential development, enabling people to live near the employment opportunities created within both the neighbourhood and the wider city centre. Development will also prioritise improved connectivity to surrounding areas which will be of critical importance to the major regeneration activity planned at the Northern Gateway, and to enhancing access by residents to the north of the city centre employment, retail and leisure and cultural opportunities.</p>
<p>A progressive and equitable city: making a positive contribution by unlocking the potential of our communities</p>	<p>The proposals set out within the NOMA framework are aligned to and will support regeneration in the wider area. Adjacent development planned and underway at the Medieval Quarter, Northern Gateway, New Cross, and Ancoats will all benefit from and support development at NOMA. The proposals will contribute to demand for flexible, Grade A commercial accommodation, alongside retail and leisure space and new homes which support the growing city and city centre population.</p>

<p>A liveable and low carbon city: a destination of choice to live, visit, work</p>	<p>The NOMA development is continuing to transform a key northern entrance to the city centre. Development has created a new high quality neighbourhood, including significant new public realm and community and leisure facilities.</p> <p>Development has included major highways infrastructure works, investment into enhancements at Angel Meadows and the creation of a new public square, Sadler's Yard. All of these components of the wider neighbourhood have contributed to NOMA's development as an attractive place to work, live and visit.</p>
<p>A connected city: world class infrastructure and connectivity to drive growth</p>	<p>NOMA is at the heart of a major transformation of connectivity in Manchester, bringing regional, national and international connections closer than ever. Ensuring both physical and digital connectivity is key to the growth and prosperity of the neighbourhood.</p> <p>NOMA's centrality, means the area benefits from strong links to the city's public transport network. Manchester Victoria Station provides access to rail and Metrolink services, whilst Shudehill Station delivers bus connectivity, all within a few minutes' walk.</p> <p>NOMA benefits from 1Gbps Wi-Fi speeds and plans to roll out free Wi-Fi across areas of public realm, ensuring digital inclusion and connectivity across the neighbourhood.</p>

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The costs of undertaking a consultation exercise on the draft SRF will be funded from within existing approved revenue budgets.

Financial Consequences – Capital

None

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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.

- Report by EDAW: Manchester Co-operative Group Holdings: Masterplan Principles – February 2008
- Report to the Executive - The Co-operative Wholesale Society – 18th May, 2008
- The Co-operative Group- Strategic Regeneration Initiative – May 2009
- Report to the Executive – The Co-operative Complex - 27th May 2009
- Report to the Executive – The Co-operative Complex - 8th July 2009
- Report to the Executive – The Co-operative Estate Re-development - 2nd June 2010
- Report to the Executive - The Co-operative Complex – Regeneration Framework – 22nd December 2010
- Report to the Executive – The Co-operative Complex – 20th November 2013
- Report to the Executive – The Redevelopment of Collyhurst - 1st October 2014
- Angel Meadow – A Strategic Update to the NOMA Development Framework Draft – August 2015
- Report to the Executive – Lower Irk Valley: A Draft Neighbourhood Development Framework – 9th September 2015
- Report to the Executive – Northern Gateway – Driving Forward Residential Growth on the Northern Edge of the City Centre – 9th September 2015
- Report to the Executive – NOMA Update and Angel Meadow – A Strategic Update to the NOMA Development Framework – 9th September 2015
- Report to the Executive – Northern Gateway: Implementation and Delivery – 13 February 2019
- Northern Gateway Strategic Regeneration Framework – February 2019

- Report to the Executive - Northern Gateway Strategic Business Plan and First Phase Development Area – 6 February 2020
- Draft NOMA Strategic Regeneration Framework Update 2020 – July 2020

1. Introduction

- 1.1 The NOMA estate covers approximately 20 acres and represents a key regeneration priority for the city centre. It is bounded to the west by Corporation Street, to the north by Angel Street and Angel Meadows, to the east by Rochdale Road and by the Metrolink line from Victoria Station and the Shudehill Interchange to the south. Located between Victoria Station and the Northern Quarter and adjacent to the city's retail core.
- 1.2 In July 2009, the Executive endorsed the Co-operative Group's Strategic Regeneration Framework which set out a vision to create a commercially-led, mixed-use destination at the northern gateway to the city centre, covering an area of 20 acres, and phased over the next 15-20 years. It was envisaged that this would support the creation of an additional 15,000 jobs and deliver in excess of £25 million annual GVA for Manchester.

2.0 Progress Update

- 2.1 Since then NOMA has become an important commercial destination, which supports the city's key strategic objectives. During this period, over £150m construction investment has been made alone across completed schemes at 1 Angel Square, Hanover and Federation, helping to drive the momentum of regeneration. In addition to the mix of new employment space, City Buildings has been successfully redeveloped, with Hotel Indigo, a new, luxury, 187 bed 4-star hotel opening in 2019. New luxury residential accommodation has also been delivered at Angel Gardens, complemented by a range of resident amenities.
- 2.2 Regeneration at NOMA has created a destination, with commercial space, job creation, new homes, place making, and inward investment. However, this has not been without its challenges; and connectivity, the integration of underutilised sites and refurbishing listed heritage assets need to be addressed.
- 2.3 To date, the quantum of development and outputs achieved at NOMA include:
 - Circa 563,000 sq. ft. of office development, of which just over 200,000 sq. ft. is in the historic estate, with a further 1,152,500 sq. ft. in the pipeline (either on site or in the planning process).
 - 7,500 sq. ft. of retail and leisure space, with a strong pipeline of consented retail and leisure space across the historic estate and new development plots totalling 148,900 sq. ft.
 - New residential development at Angel Gardens led by Moda Living. This development provides 458 high quality homes for rent.
 - 5,300 jobs to date, which represents just over a third of the original 15,000 jobs target. Within the next 2 years an additional 5,300 jobs are expected to be delivered as part of the recently consented schemes across the historic estate and new development areas.
 - New public realm including creation of a new square at Sadler's Yard.

- £1.28 million of investment into community and educational projects, alongside the generation of £4.5 million of social value through volunteering, training, apprenticeships and health and well-being initiatives at NOMA.

2.4 Investment at NOMA has not solely focussed around buildings. A combination of public and private sector investment has facilitated a first step in delivering improvements to infrastructure, in particular the ring road highways improvements, has helped to facilitate the development delivered to date.

2.5 The historic estate is a unique asset to NOMA that sets it apart from other regeneration areas in Manchester providing varied architectural style and character which makes it highly attractive to visitors and businesses. The refurbishment and repurposing of these buildings, many of which are Grade II listed, has and will continue to represent a challenge. Four of the ten buildings which comprise the historic estate are now complete:

- The redesigned and renovated Grade II listed buildings, **Hanover and E-Block** completed in 2018. The space provides approximately 90,000 sq. ft. of office space, along with ground floor mixed-uses.
- The confirmation of Amazon as an anchor tenant for the recently refurbished **Hanover and E-Block buildings**, has been a significant indicator of the area's attractiveness to these sectors. Amazon will deliver 600 new jobs for Manchester and has already started to help attract new businesses to NOMA.
- The refurbished Grade II listed **Dantzig Building** provides 42,700 sq. ft. of repurposed open plan office workspace.
- Adjoined to Dantzig, refurbishment of **Federation Building** now provides 71,000 sq. ft. of workspace for around 30 creative, tech and digital businesses.
- **City Buildings** has been sensitively redeveloped to create the 176-room boutique Hotel Indigo.
- The refurbishment of **Redfern** was completed in April 2020 providing 25,000 sq. ft. of unique office floor space alongside 7,500 sq. ft. of retail and leisure space at ground and first floor level.

2.6 The updated SRF also sets out the change in ownership arrangements. The original NOMA Joint Venture (JV) was formed by The Co-operative Group and British Telecom Pension Scheme (BTPS), with Hermes Real Estate undertaking the roles of Asset and Fund Managers. In 2018, Hermes, on behalf of BTPS, acquired The Co-operative Group's 50% stake interest in NOMA (GP) Ltd and appointed MEPC as a specialist Development and Asset Manager. Federated Hermes acquired full ownership of MEPC in 2020 and there is now an integrated management structure and funding arrangements in place to drive forward the delivery of the Noma estate.

3.0 NOMA SRF 2020 Update

3.1 The updated SRF seeks to build on the progress achieved to date. The principles remain unaltered from previous iterations, with the updated draft

framework detailing the next phases of the masterplan in line with these principles. These core objectives are reiterated within the 2020 SRF update:

- **Job Creation** - Attracting new businesses, employment opportunities and spaces for enterprise across a diverse, mixed economy has been, and will continue to be, integral to the growth of NOMA.
- **Place Making** - Creating a vibrant destination requires a diverse mix of uses and a variety of interesting spaces. NOMA comprises a mix of public realm, civic space (e.g. village hall), responsive space (e.g. covered streets/event space/creative meanwhile uses) and those led by the food, beverage and entertainment occupiers.
- **Supporting Communities** - Community has been at the core of the growth of NOMA. Development over the last decade has also seen the investment of £1.28 million on community and educational projects, and led to £4.5 million of social value generated through volunteering, training, apprenticeships and health and well-being initiatives at NOMA. More than 1,000 volunteers and, 80 apprenticeships have been facilitated to date.
- **Sustainability** - Environmental sustainability has been an overriding objective and ambition through the design and construction of buildings in NOMA. This has been illustrated by the continued emphasis on the sympathetic and sustainable reuse and redevelopment of the area's heritage buildings. New build development has also driven this aspiration, with No.1 Angel Square achieving BREEAM Outstanding accreditation.

3.2 The updated draft framework seeks to respond to Manchester's strong economic growth which has led to increased demand for commercial space within the city centre, and the adoption of new policies on climate change and zero carbon. This approach will shape the next phases of development at NOMA.

3.3 The Digital and Creative economy is an increasingly important feature of the city's economy. GVA in the cultural, creative and digital industries is forecast to increase by 40.5% between 2015 and 2025. The clustering of tech and digital businesses within NOMA has emerged as a key strength, with the area becoming synonymous with innovation. The Cooperative Group's digital business is now located within the recently refurbished Federation Building alongside a range of Digital, Creative and Tech start-ups and SME's. Amazon choosing NOMA as their location within the city centre also empathises the neighbourhood's appeal to the Digital and Tech sector.

3.4 The updated SRF seeks to respond to a need to deliver and enhance connections to emergent adjacent development and neighbourhoods. NOMA sits at a northern gateway to the city centre, and significant new development has been delivered at the Green Quarter, New Cross and Ancoats creating new residential communities, employment opportunities and leisure and retail amenities. Alongside this development, the Northern Gateway is the single largest and most ambitious regeneration opportunity for Manchester. It

comprises a 155 Hectare land area to the north of Manchester city centre, between Victoria Station and NOMA and the Northern Quarter in the southwest. Ensuring strong connections with these areas will be fundamental in the future growth and development of Manchester.

3.5 The focus of the next phases of the masterplan will be delivering the remaining development plots, and addressing connectivity and integration of underutilised sites. Optimising underutilised areas is a key priority, with the focus on bringing forward commercial development supported by new and integrated public realm on Plots H, K and Q (highlighted in Appendix A). To date 567, 672 sq. ft. of commercial space has been delivered, with over 2.3 million sq. ft. expected across the site once fully developed. Plots H, K & Q have the potential to contribute circa 620,000 sq. ft. of office space toward this, and will strengthen NOMA's position as an emerging commercial, creative and digital hub. More details are set out below:

- Following the delivery of consented office schemes at 2, 3 and 4 Angel Square, NOMA will increasingly be viewed as a prime commercial location. It is envisaged that Plots H, K and Q will continue to respond to the city's demand for high quality office space.
- The masterplan has been rationalised to accommodate two buildings of up to 8 and 10 storeys respectively on Plot H, framed by new public realm including a pocket square. Plot H has the potential to deliver in excess of 270,000 sq. ft. of office space and 20,000 sq. ft. of ground floor retail.
- Plot K has the potential to deliver 135,000 sq. ft. of office space across 10 storeys, alongside active retail and leisure uses at ground floor. Given the prominence of the site, it could alternatively accommodate a hotel. The most viable use for the site will be further explored, to allow this prominent site to make the maximum contribution to the area overall.
- Previous iterations of the framework noted that Plot Q could provide a range of development options including a multi-storey car park. Given Manchester's environmental strategy and aspirations, it is now seen as more appropriate for Plot Q to deliver an alternate form of development, such as new office space. This reflects a shift towards less reliance on motor vehicles and the increasing importance of climate change, reinforced by the Council's declaration of a climate change emergency and drive towards zero carbon. Emphasis on smarter and more sustainable travel choices is, therefore, reducing the need for extensive car parking provision. It should also be noted that there are a number of existing multi storey car parks in close proximity to this site, including Shudehill, Greengate and the Arena. Appropriate basement parking will be provided to serve the needs of the building users on new developments across the NOMA site.
- 97 Shudehill has been identified for reuse, building on the successful refurbishment of a number of NOMA's heritage buildings. Its unique character provides the opportunity to extend the historic context toward the eastern edge of NOMA and integrate it with the Northern Quarter. Redevelopment of this building will form a better connection with the wider regeneration area and key peripheral links, as well as becoming a positive contributor to the Shudehill Conservation Area.

4.0 NOMA – The challenges & opportunities

4.1 The foundations are now in place for NOMA to continue its transformation and to support Manchester's future growth agenda, building on the progress of the NOMA estate to date and responding to the challenges faced.

4.2 Notwithstanding the success that has been achieved at NOMA in relation to the overarching core objectives for the area, a series of challenges exist, the resolution of which will be critical in delivering the next phase of development. These challenges are set out below:

Euro Car Park Site

4.3 The Euro Car Park Site located to the east of 4 Angel Square is not owned by NOMA. Currently it has a negative impact on the area and this impact will increase as further phases of development are brought forward.

- The car park detracts from the streetscape and restricts proposals for a better-connected public realm.
- It is important for development at this site to come forward, as soon as possible, in keeping with the objectives and principles for the wider NOMA area. Early redevelopment will allow for the comprehensive regeneration of NOMA to be maximised.

New Century House & Hall

4.4 New Century House & New Century Hall are two adjoining buildings within the SRF area. New Century House provides a poor welcome to the western entrance into NOMA, and prevents connectivity from Corporation Street into Sadler's Yard and the heart of the historic estate.

- The design and layout of the Grade II listed New Century House does not reflect modern occupier requirements. This coupled with technical issues mean that the building is not viable as office space. Finding a viable, sustainable and long term future solution for New Century House is needed in order to secure its future and allow it to contribute fully to the regeneration of NOMA.
- New Century Hall now benefits from planning consent which when delivered will ensure a sustainable and viable reuse for this building, enabling it to function independently of the adjoining New Century House.

Highways

4.5 While there has been investment in the highways to make the area better integrated with the rest of the city centre, there are still connectivity challenges, and a strong desire to further enhance pedestrian routes and connectivity within and outside of the SRF area. This will assist in improving connections to adjacent neighbourhoods as set out above. Particular issues include the following:

- Miller Street is still a physical barrier between the historic estate and new development plots. The opportunity exists to further link these plots by optimising the newly created pedestrian link between New Century Hall and House with an additional or repositioned crossing on Miller Street.
- Linking the two distinct parts of NOMA will contribute significantly to creating a stronger connection through the New Century Hall into Sadler's Yard and also emphasise the north-south connections into the city centre through NOMA and into surrounding neighbourhoods to the north, as well as linking key areas of public realm.
- Improving pedestrian connections at and around NOMA, for example across Miller Street, will be fundamental to the success of the major residential communities that will grow at Angel Meadows and across the Northern Gateway area.

Advertising Hoardings

- 4.6 Advertising hoardings are currently in prominent positions, and detract from the visual amenity of the area, as well as inhibiting and preventing development, and in particular place-making aspects of the area. As we move forward, and in order to maximise the opportunities for NOMA to be regenerated in an effective manner, these should be removed. LPA action will be put in place to assist with this, if necessary.

5.0 Environmental and Sustainability Design Principles

- 5.1 The context and city's approach to climate change has significantly intensified since the approval of the previous iteration of the SRF in 2016. As such, climate change and sustainable play an increasingly fundamental role within the draft framework.
- 5.2 To effectively support the Council in achieving its 2038 zero carbon target, the design of future regeneration proposals will need to consider how all development at NOMA can support this. The principles and approach set out in the updated SRF which seek to address this include:
- New developments will be expected to achieve the highest standards of sustainability.
 - A revised approach towards vehicle parking aligned with the Council's carbon reduction strategy. Individual plots should not include on-site car parking other than for disabled people. Wider essential parking demand can be facilitated through the provision available at the nearby existing MSCPs. The area benefits from excellent public transport connections with rail services from Victoria Station and the Metrolink network at Shudehill.
 - The creation of new and enhanced connections remains a fundamental principle of the NOMA SRF. Following the delivery of major highways infrastructure works and the creation of new public realm (Sadler's Yard & Angel Square), the aspirations to improve connectivity underpin the

framework. These connections will promote active modes of travel delivering attractive and functional routes for walking and cycling.

- A commitment to the highest sustainability standards will need to be achieved through innovative building design. This approach within new buildings will be required for all major developments across the city centre. However, the continued programme of refurbishment of NOMA's listed estate will also play a fundamental role in supporting the Council's zero carbon strategy and promoting lower energy usage to occupiers.

6.0 Conclusion

6.1 The completion and occupation of recent commercial development illustrates demand for further commercial space in this city centre location. The next phase of development at NOMA can continue to support the city's growth and economy, through the creation of high quality and flexible commercial spaces for employment and enterprise to meet market demand.

6.2 Further development at this northern access point to the city centre will be critical for the connection and integration of the emergent regeneration areas of the Northern Gateway and New Cross, creating a more cohesive area and supporting the delivery of excellent physical connections between these areas and the city centre.

6.3 Recommendations can be found at the front of this report.

7.0 Key Policies and Considerations

• Equal Opportunities

7.1 The proposals will provide enhanced connections to surrounding communities, providing improved access for local residents to the opportunities within the NOMA area. As significant regeneration progresses within the Northern Gateway, NOMA will provide a critical connection into the core of the city centre. In addition, there is a continued commitment to ensure that design standards throughout the development comply with accessibility standards.

(b) Risk Management

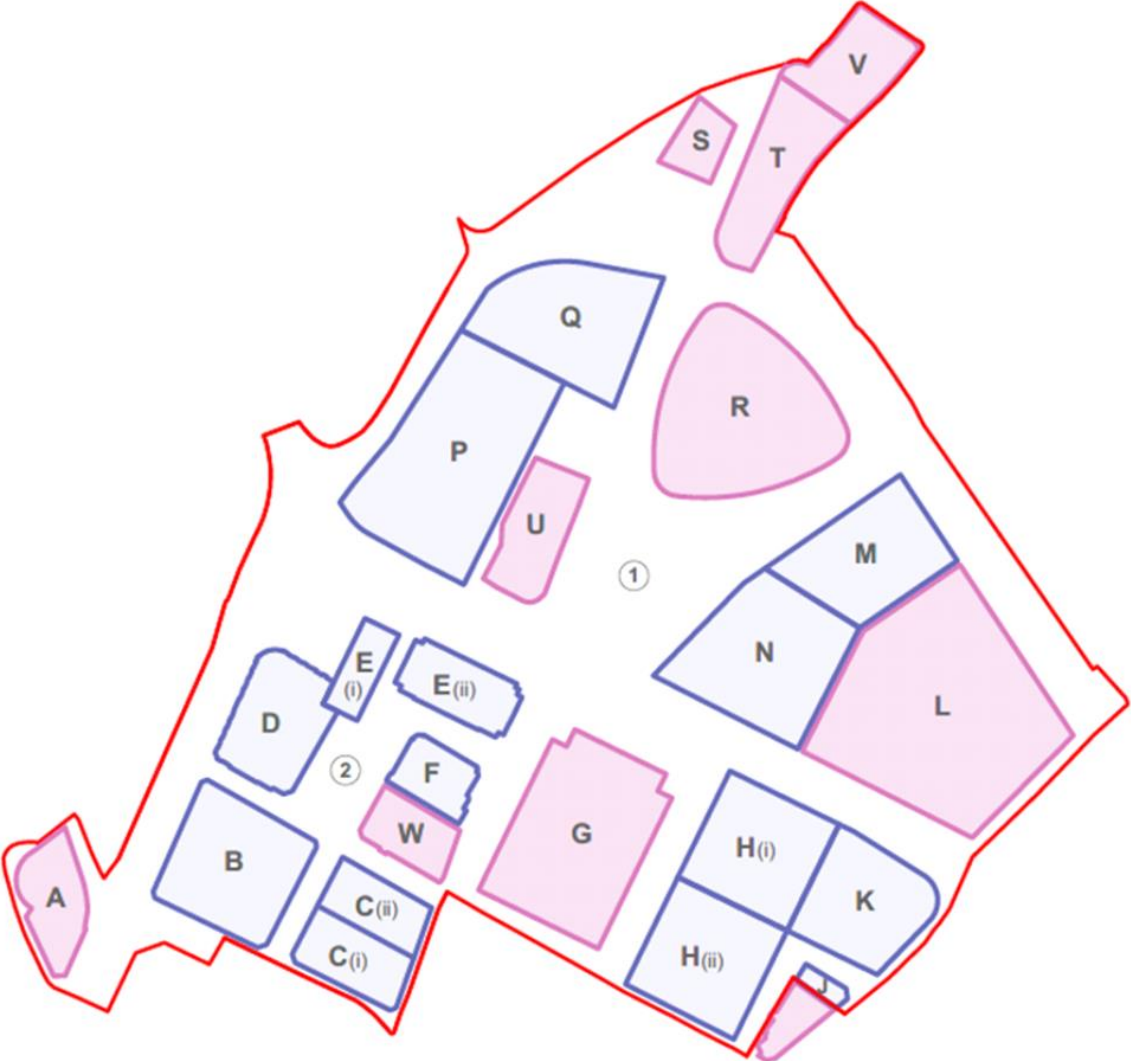
7.2 The existing development partner is required to develop, instigate, monitor and manage an appropriate and robust risk management strategy. This is owned by the development partner, and considered at the Project Board as part of ongoing monitoring and management throughout the delivery of the development.

(c) Legal Considerations

7.3 Subject to Executive approval to go out to consultation, a further report will be brought to the Executive after the public consultation exercise, setting out the

comments received and any changes proposed to the framework. If the update to the Framework is subsequently approved by the Executive, it will become a material consideration in the determination of planning applications by the Council as Local Planning Authority.

Appendix A: NOMA SRF plot plan



KEY

BUILDING USES SCHEDULE

BUILDING	USE*
A	CITY BUILDINGS
B	HANOVER
C(i)	FEDERATION
C(ii)	DANTZIC
D	OLD BANK
E(i)	NEW CENTURY HOUSE
E(ii)	NEW CENTURY HALL
F	REDFERN
G	CIS TOWER
H(i)	PLOT H (NORTH)
H(ii)	PLOT H (SOUTH)
J	97 SHLODHALL
K	PLOT K
L	ANGEL GARDENS
M	2 ANGEL SQUARE
N	3 ANGEL SQUARE
P	4 ANGEL SQUARE
Q	5 ANGEL SQUARE
R	1 ANGEL SQUARE
S	ANGEL MEADOW PLOT 1
T	ANGEL MEADOW PLOT 2
U	EURO CAR PARKS SITE
V	ANGEL MEADOW PLOT 3
W	HOLYOAKE

NOTE: *EXCLUDES ANCILLARY USES

- DEVELOPMENT PLOT
- HISTORIC BUILDING
- EXISTING DEVELOPMENTS

OWNERSHIP DIAGRAM KEY

- NOMA (GP) LTD OWNERSHIP
- THIRD PARTY OWNERSHIP
- ① ANGEL SQUARE
- ② SIDLERS YARD
- AREA COVERED BY NOMA STRATEGIC REGENERATION FRAMEWORK