

**Manchester City Council
Report for Resolution**

Report to: The Executive – 14 November 2018

Subject: Manchester Science Park (MSP) SRF update

Report of: Strategic Director (Development)

Summary

This report presents Executive Members with a draft update of the 2014 Strategic Regeneration Framework for Manchester Science Park, and requests that the Executive approve the framework in principle, subject to a public consultation on the proposals.

Recommendations

The Executive is recommended to:

- i) Approve in principle the updated regeneration framework for Manchester Science Park;
 - ii) Request the Chief Executive undertake a public consultation exercise on the regeneration framework with local stakeholders; and
 - iii) Request that a further report be brought forward, following the public consultation exercise, setting out comments received, and responses to the comments.
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Wards Affected Deansgate & Hulme

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	<p>The SRF will deliver a range of employment opportunities within the Oxford Road Corridor. This district is one of the most economically important areas within Greater Manchester, generating £3 billion GVA per annum and with more job creation potential than anywhere else.</p> <p>Assets within Manchester Science Park and the wider Oxford Road Corridor area are vital to capture the commercial potential of research and innovation. The range of employment opportunities include construction through the ten year development phases and end use opportunities within both retail and knowledge</p>

	intensive sectors including tech, med-tech and digital.
A highly skilled city: world class and home grown talent sustaining the city's economic success	<p>The Manchester Science Park Strategic Regeneration Framework sets out the development opportunities in recognition of the scope for the ambitious expansion of MSP. in order to ensure that this unique commercial location is maximised for the benefit of Greater Manchester.,</p> <p>The further expansion of MSP is driven by the requirements of both new and existing technology business with the potential for rapid growth, particularly those developing and commercialising new products and processes. The creation of an optimum environment for this sector will assist in developing a high calibre talent pool and retaining talent within with city.</p>
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	<p>The SRF includes proposals for the delivery of new purposed built student residential accommodation. This development will be aligned with the objectives and aspirations of the universities and meet increasing demand resulting from Manchester's position, within both the UK and internationally, as a leading city for higher education.</p> <p>MSP continues to support a range or training programmes and initiatives to increase the skills of those seeking to work within the science, digital and technology sectors. Occupants within the MSP site have facilitated a number of apprenticeships and enterprise / training programmes.</p>
A liveable and low carbon city: a destination of choice to live, visit, work	The delivery of high quality public realm forms a critical component of maximising the future expansion of MSP. Adding high quality public realm will improve the local communities experience as a place to walk through and dwell. It will also ensure the delivery of an environment that appeals to future commercial occupiers and create a fitting environment for occupants to showcase the world-leading work and activities that are taking place at MSP.

<p>A connected city: world class infrastructure and connectivity to drive growth</p>	<p>The MSP site will benefit from continued investment and enhancements delivered in relation to the city's public transport infrastructure. The framework promotes a modal shift from a reliance on car travel to the site, utilising the locations strong sustainable transport links including the recently delivered bus priority scheme, the Metrolink network, cycling infrastructure and walking routes that connect the MSP site and Oxford Road Corridor with the city centre and Hulme.</p>
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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

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 contact officers above;

- Report to Executive – Manchester Science Park Draft Regeneration Framework – 12 March 2014
- Report to Executive – Manchester Science Park Draft Regeneration Framework – 3 September 2014
- Manchester Science Park – Strategic Regeneration Framework September 2014
- Draft updated Manchester Science Park Strategic Regeneration Framework – August 2018

1.0 Introduction

- 1.1 Manchester Science Park (MSP) is a strategic employment area on the Oxford Road Corridor. The Oxford Road Corridor covers a 243-hectare area, running south from St Peter's Square to Whitworth Park along Oxford Road. The district is one of Greater Manchester's most economically important areas, with more job creation potential than anywhere else. The area generates £3billion GVA per annum, consistently accounting for 20% of Manchester's economic output over the past five years. The area has more than 60,000 jobs, over half of which are within knowledge-intensive sectors, including health, education and professional, scientific and technical sectors.
- 1.2 In September 2014, the Executive approved a Strategic Regeneration Framework (SRF) for the Science Park.
- 1.3 The framework sought to guide the future expansion and intensification of MSP: it identified principles to underpin future development in a manner that would help to translate the site's locational advantages into positive economic, social and environmental benefits, as well as maximising the opportunity to secure further knowledge-intensive, science-based activities that could positively contribute to the continued growth of Manchester and the wider City-region's economy. Since 2012, MSP has grown from approximately 220,000 sq.ft. to more than 320,000 sq.ft. The average occupancy continues to remain high, now at 96.9% (90% where instructions are excluded). A number of buildings maintain a 95%-100% occupancy. MSP is also home to more than 120 innovative businesses.
- 1.4 The Oxford Road Corridor has finite and increasingly scarce land resources, and there are significant demands from all of the existing institutions for additional space to support the delivery of their core functions, as well as for other uses that support the economic growth of the area and the wider city. Therefore, if the economic growth objectives for the Corridor are to be met, it is necessary to ensure that land is used effectively and efficiently. As demand for accommodation continues to grow, we will need to continue to monitor the capacity of sites that have been identified to support commercial activities within the Corridor.
- 1.5 In March 2018, a Strategic Spatial Framework for the Oxford Road Corridor was approved. This framework will guide decision-making on future planning applications, and provide an important point of reference in the formulation of future policy and masterplanning work within the Oxford Road Corridor. Further spatial planning work is currently being undertaken, to assess the opportunities for additional development space that can support the activities of the key institutions and other potential commercial occupiers, which will contribute to the growth of the Corridor and the city's economy.

2. Background

- 2.1 Following the endorsement of the 2014 regeneration framework, MSP has clearly taken significant strides towards becoming a leading global urban science park.
- 2.2 The updated SRF responds to the need to consider how MSP can be further enhanced as a key interface between science, research, academia and business. The scarcity of developable land make it imperative to optimise MSP's existing buildings through redevelopment or remodelling, in order to deliver the identified growth strategy, meet market demand, and continue to drive economic output in key knowledge sectors.
- 2.3 The draft updated SRF and accompanying indicative masterplan sets out how an expanded MSP could successfully deliver circa 1.3m sq. ft. in a manner that aligns with the key development and urban design principles established in 2014.

3. Progress Since the 2014 Development Framework

- 3.1 Since 2014, significant progress has been made including: delivery of the Bright Building at the heart of the park; development of partnerships and initiatives, including CityVerve, Mi-IDEA and Med-TECH Incubator; supporting infrastructure, including new multi-functional public realm; acquisition and refurbishment of Hillel House, now known as BASE, the refurbishment of Greenheys Business Centre and the acquisition of Synergy House; support for a range of training programmes and apprenticeships, including for local schools; and continued business support through events and services.
- 3.2 Over the last 6 years, MSP has grown from approximately 220,000 sq. ft. to more than 320,000 sq. ft. Average occupancy remains high, now at 96.9%, and the site is home to more than 120 innovative businesses.
- 3.3 The success and growth of MSP illustrate that it is moving towards its vision of becoming a leading global urban science park. The continued strength of the science, digital and technology sectors and on-going demand from existing customers and potential new occupiers looking to benefit from the sectors clustering within the Oxford Road Corridor, demonstrate that MSP is still capable of achieving further growth.
- 3.4 The award of Enterprise Zone status with a specialism in Life Sciences, provides competitive advantages to drive future growth, for example, the ability to claim business rate relief for new and expanding occupants.
- 3.5 A joint initiative between the City Council and Bruntwood, utilising funding provided by DCMS, has seen the launch of the newly operational Manchester Tech Incubator within both the Bright Building and at Manchester Technology Centre (Circle Square). This provides specialist business growth services to help new and early stage businesses in the data science and technology innovation sectors. Occupiers receive access to funding and finance, world class talent and skills development services, as well as networking and

business support. There are already 87 businesses in occupation, which was launched in May this year.

- 3.6 The increased profile of MSP has led to the attraction and retention/expansion of many high profile businesses. Examples include; Qiagen, Zilico, SteamaCo, Cubic Motion and Premaitha Health.
- 3.7 The Bright Building is home to CityVerve, Innovate UK's "Internet of Things" (IOT) city demonstrator, in which MSP and the City Council are lead partners. The CityVerve project brings together the latest IOT technologies, deployed at city scale to deliver transformative benefits: new business and jobs for Manchester; better healthcare, transport and environment; and more engaged and empowered citizens.
- 3.8 The launch of Mi-IDEA, a partnership between MSP and Cisco, working with early-stage companies to develop innovative technologies and solutions. The partnership focuses on the areas of smart cities, IOT, digital healthcare and the digital creative sector. Since launching, 8 companies have been accommodated, facilitating 17 new FTE jobs and 5 internships.

4. Development Framework Principles

- 4.1 The 2018 draft SRF Update sets out a refreshed strategy which recognises that there is increasing pressure for additional floorspace to support the growth in science-based economic activity. There needs to be an ambitious expansion of MSP in order to ensure that the unique opportunity to capture this activity is grasped, for the benefit of the city and Greater Manchester, including the local community. MSP is one of a limited number of sites in close proximity to the universities and hospital, and all must be supported to play their fullest part in the future growth of the Corridor and the city.
- 4.2 This approach is fully in accordance with the Oxford Road Corridor Strategic Vision to 2025 and the Oxford Road Corridor Strategic Spatial Framework. It will support MSP as it looks to further expand its accommodation in a manner that takes account of the needs of new and existing technology business with the potential for rapid growth, particularly those developing and commercialising new products and processes.
- 4.2 The updated draft SRF includes a series of refreshed core development principles, which will guide a comprehensive approach to the further expansion and diversification of MSP. The principles are set out below.

4.3 Economy

- Development at Manchester Science Park will facilitate the progress and strengthen activities within key growth sectors, such as science and technology which will support both the future growth potential of the Corridor's institutional partners and also the development of high value added and high growth companies.

- Increasing the contribution of the private sector is a key driver for the Oxford Road Corridor. A combination of the Corridor's leading and innovative institutions, and the area's Life Science Enterprise Zone status, will fuel this growth and attract international companies, who wish to carry out R&D functions in Manchester.
- Central to the MSP Masterplan is the need to increase the quantum of available space, including for incubation facilities and grow-on support for businesses. Creating the quality of environment and amenities that both existing occupants and future national and international occupiers require.
- There is significant scope to increase density within the MSP site to overcome the existing constraints which hinder the ability to facility new business occupants and to enable existing occupants to expand within the site.
- The indicative MSP Masterplan provided at Appendix A of the draft SRF indicates how a well-considered, masterplanned approach can result in a significantly enhanced environment and an increase in net floorspace from circa 320,000 sq. ft. to circa 1.3 million sq. ft.

4.4 Place

- The delivery of high quality public realm and new amenities and infrastructure continues to be a critical component of maximising the future expansion of MSP. This will ensure the delivery of an environment that appeals to future occupiers and creates amenity value for existing customers and local communities, as well as helping to showcase the world-leading work and activities that are taking place at MSP.
- The creation of a central, predominantly green space, which will provide a focal point for the area – a place where all pedestrian and cycle routes will ultimately lead – offering a range of activities from quiet relaxation to pop up events and outside sports activities.
- The masterplan sets out a network of multi-functional smaller squares and plazas to create vibrancy and a sense of community.
- The public realm strategy recognises and lays the foundations for a strategy that will deliver a sense of place and clear identity, which is inclusive, welcoming, safe and distinctive in supporting the needs of the MSP community and appealing to the innovative businesses wishing to locate there.
- A key design principle underpinning the masterplanning of the site is to continue to open it up and enhance permeability and connectivity with adjoining areas, emphasising that the park is fully accessible to the public. Additional east – west linkages through the site are required, building on the success of the new access from Lloyd Street North delivered through the Bright Building scheme, in order to connect the site to the universities and NHS campus to the east, and local communities such as Moss Side and Hulme to the west.

- Further legible pedestrian routes through the site will be provided. Enhancing connections to the University of Manchester and NHS campus and the wider Oxford Road Corridor area.
- The site's areas of public realm will be carefully managed and maintained, with continuing investment to guarantee safety and security, while maintaining a welcoming, permeable and open experience for workers, visitors and residents.
- The current position of the MSP site predicated access by car. However, this does not reflect the availability of sustainable transport modes within Central Manchester. A comprehensive travel survey of MSP employees was undertaken in August, which identified that currently 42% of respondents travel to MSP by car; 21% by cycle; 21% by bus, train or Metrolink; 10% walk; 3% use motorcycles; and 3% via other, which includes car sharing and private taxi services. MSP encourages employees to use sustainable travel modes, including through the introduction of enhanced cycle facilities across the site. An area-wide workplace travel plan is being developed for the wider MSP site, which will provide a framework for further measures. This will include better facilities for those who cycle, walk or run to work with secure cycle parking, shower, changing and storage facilities.
- Whilst surface level parking will be rationalised and sustainable transport links promoted, there will inevitably be a requirement for car parking from occupiers. In order to compensate for the loss of surface car parking, and to assist with the place making strategy for the site, a carefully designed and located multi-storey car park (MSCP) is proposed as part of a later phase of development. The requirement for this will be kept under review as development comes forward and further travel planning measures are implemented. However, it is anticipated that the MCSP will provide a similar level of car parking as existing at MSP (i.e. no net increase) for a significantly increased quantum of commercial floorspace (and therefore number of employees and visitors) which would require an associated reduction in the modal split for people travelling by car. The MSCP would include provision for electric vehicle charging points.
- The Council operate a Resident Parking Scheme in the vicinity of MSP. This currently has two areas: H2 – Arnott Crescent and Monton Estate to the south and west.
- Denmark Road is currently subject to a variety of restrictions that limit parking, but there are also large areas where on-street parking is allowed. As part of the Bright Building proposals, MSP has agreed a revised scheme of Traffic Regulation Orders with the Council, to provide more short-term parking and alleviate some of the issues that occur with congestion on Denmark Rd and Pencroft Way. The scheme includes the addition of proposed limited waiting for 30 minutes and 2 hours, with no return within 1 hour. The scheme is currently being progressed by the Council through a Section 278 Agreement.

4.5 People

- The creation of new employment opportunities is a key element of the SRF proposals, which will be delivered through a significant increase in floorspace at a major employment location.
- The total employment on the site following completion of the masterplan has been estimated at 7,500 Full Time Equivalent (FTE) jobs. This is a potential increase of 5,700 FTE jobs over the 10 year implementation of the masterplan.
- Many of the existing jobs are in skilled roles and this trend would continue with the proposed employment growth.
- The creation of new employment within high value, key growth sectors such as science and technology, will provide opportunities for strengthening the skills profile of the workforce, which is a priority for the region.
- The SRF sets out MSP's commitment to supporting an outstanding range of programmes and initiatives, which are designed to attract and retain young people to develop careers within digital, science and technology sectors. A number of the apprenticeships have resulted in FTE positions at MSP.
- MSP works with Manchester Sharp Futures, a social enterprise that supports diverse young people into employment in the creative digital and tech sectors. Manchester Sharp Futures supports the running of Mi-IDEA and the TECH Incubator through their POD services programme, enabling entry level talent to provide valuable support to fledgling and fast-growing businesses in the digital sector.
- MSP has immediate adjacencies to the residential areas of Hulme and Moss Side, which are located to the north-west and south-east respectively. The importance of the residential communities surrounding MSP is recognised; a number of initiatives and investments have been made to improve conditions for local residents and ensure that they share in the benefits of MSP's continued success and growth. These include enhancements to the public realm, and a number of active retail uses, such as the Old Abbey public house, and the new café at Bright Building, where visitors and residents are encouraged to use the facilities.

4.6 Smart Sustainable Cities

- Sustainability lies at the heart of the proposed development at the MSP site. Re-use of existing buildings, promotion of sustainable transport, promotion of health and well-being and place-making all form part of the core development principles.
- With significant recent and planned investment in public transport provision and shifting attitudes of workers towards their commute to work, there is a desire to gradually manage a reduction in the car parking requirements on site

over time. This is further supported by the attitude of many of the forward thinking companies who occupy science parks, which genuinely seek to encourage sustainable transport behaviour of their employees through various travel planning initiatives.

- The City Council operate a Resident Parking Scheme in the vicinity of MSP, in order to prevent employees and visitors parking on street. The existing schemes currently covers two areas; Arnott Crescent, and Monton Estate. Within these areas a permit is needed to park for more than two and three hours respectively between 8am and 6pm, Monday – Friday.
- Further control of on-street parking is currently being developed following the construction of the Bright Building.

5.0 Key Projects & Phasing

5.1 The draft updated SRF sets out a development plan phased over a 10 year period to ensure the maximum economic benefit for the city.

5.2 An initial phase of development (2019-2021) is proposed to deliver:

- An extension to the existing Greenheys' building, to provide circa 60,000 sq. ft. of commercial floor space.
- A new 5 / 6 storey building located adjacent to the Greenheys' building, providing circa 100,000 sq. ft. of flexible commercial floor space and facilities for collaborative working on the site currently occupied by the BASE Building.
- Public Realm facilitated by the closure of the northern end of Pencroft Way, which will enable the provision of new and enhanced areas of public realm within MSP.

5.3 This initial phase of development of 160,000 sq. ft. at MSP is expected to deliver up to 1,300 FTE jobs.

5.4 Future phases of development will come forward within a considered ten year programme. This will take into account interdependencies between specific elements of MSP, the need to minimise disruption, and continuing to enhance the quality and character of the MSP environment.

5.5 It is proposed to include purpose-built student accommodation in the future phased element. This accommodation will replace existing provision at Whitworth Park, which is owned and managed by the University of Manchester. These facilities are in poor condition and will need replacing in the medium term. They are also of low density and do not utilise the site effectively. This re-provision would be consistent with Core Strategy Proposal Policy H12, which affords priority to the Universities to provide managed student facilities in accordance with the requirements identified in their respective residential strategies.

This phasing is likely to include:

- Flexible commercial laboratory and workspace, with a range of floorplates.
- A multi storey car park located off Charles Halle Road.
- Pavilion Building located within the heart of the park, providing additional food and beverage amenity for customers and local residents.
- Infrastructure and public realm; including new public spaces, servicing facilities and cycle parking.
- Purpose-built student accommodation on the vacant McDougall Centre site. The site has the capacity to accommodate buildings of between 6 and 10 storeys.

6. Conclusion

- 6.1 The enhancement and expansion of MSP represents a key opportunity for the city to capture new opportunities for sustained growth in key sectors such as biotechnology and life sciences in an increasingly competitive and dynamic global marketplace. It represents an opportunity for the city to build upon the further development of its network of alliances and partnerships throughout the world.
- 6.2 The Masterplan proposals would help to drive forward the city's competitive offer as a principal destination for inward investment and employment in key growth sectors, and contribute substantially to the further expansion and diversification of its economic base in a manner that can be fully aligned with its economic development, sustainability and regeneration objectives for the wider benefit of residents across Manchester.

7.0 Contributing to the Manchester Strategy

(a) A thriving and sustainable city

- 7.1 The SRF will deliver a range of employment opportunities within the Oxford Road Corridor. This district is the most economically important area within Greater Manchester, generating £3 billion GVA per annum and with more job creation potential than anywhere else.

Assets within Manchester Science Park and the wider Oxford Road Corridor area are vital to capture the commercial potential of research and innovation. The range of employment opportunities include construction through the ten year development phases and end use opportunities within both retail and knowledge intensive sectors including tech, med-tech and digital.

(b) A highly skilled city

- 7.2 The Manchester Science Park Strategic Regeneration Framework sets out the development opportunities in recognition of the scope for the ambitious expansion of MSP, in order to ensure that this unique commercial location is maximised for the benefit of Greater Manchester.

The further expansion of MSP is driven by the requirements of both new and existing technology business with the potential for rapid growth, particularly those developing and commercialising new products and processes. The creation of an optimum environment for this sector will assist in developing a high calibre talent pool and retaining talent within with city.

(c) A progressive and equitable city

- 7.3 The SRF includes proposals for the delivery of new purposed built student residential accommodation. This development will be aligned with the objectives and aspirations of the universities and meet increasing demand resulting from Manchester's position, within both the UK and internationally, as a leading city for higher education.

MSP continues to support a range or training programmes and initiatives to increase the skills of those seeking to work within the science, digital and technology sectors. Occupants within the MSP site have facilitated a number of apprenticeships and enterprise / training programmes.

(d) A liveable and low carbon city

- 7.4 The delivery of high quality public realm forms a critical component of maximising the future expansion of MSP. Adding high quality public realm will improve the local communities experience as a place to walk through and dwell. It will also ensure the delivery of an environment that appeals to future commercial occupiers and create a fitting environment for occupants to showcase the world-leading work and activities that are taking place at MSP.

(e) A connected city

- 7.5 The MSP site will benefit from continued investment and enhancements delivered in relation to the city's public transport infrastructure. The framework promotes a modal shift from a reliance on car travel to the site, utilising the locations strong sustainable transport links including the recently delivered bus priority scheme, the Metrolink network, cycling infrastructure and walking routes that connect the MSP site and Oxford Road Corridor with the city centre and Hulme.

8.0. Key Policies and Considerations

(a) Equal Opportunities

Over the next decade, it is anticipated around 5,700 jobs will be created at MSP.

(b) Risk Management

- 8.2 Not applicable

(c) Legal Considerations

- 8.3 If approved by the Executive, following consultation, the updated Manchester Science Park (MSP) SRF will not form part of the Council's Development Plan but would be a material consideration when development control decisions are made.