

Report of the Strategic Director Corporate Services to the meeting of Executive to be held on 9th January 2018

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Subject: City Centre Regeneration

Summary statement:

To provide an update on Bradford's city centre regeneration projects including further details in respect of the Bradford Odeon, following on from Executive on 5th December 2017.

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Portfolio:
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Overview & Scrutiny Area:
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1. SUMMARY

This report is to provide the Executive with an update on a number of city centre regeneration projects including the detail requested by Executive on the proposed funding to Bradford Live for the refurbishment of the former Bradford Odeon further to the report submitted to Executive on 5th December 2017, which is detailed within the confidential appendix.

2. BACKGROUND

Bradford City Centre is a priority for the Council and a Strategic Priority Area in the Local Enterprise Partnership's and West Yorkshire Combined Authority's Strategic Economic Plan. Bradford is one of the biggest and fastest growing districts in the UK and a key part of the Leeds City Region economy. Business success, jobs growth and an increased evening economy are essential to the District's future and a strong vibrant city centre is needed to help secure the economic prosperity of the wider city.

Bradford city centre is the key location for employment in a district with a growing population of 530,000, and the place where investment and activity can combine collectively to maximum benefit. It is home to over 2,000 businesses that support 22% of jobs (one in five of all jobs in the district) generating 31% of the District's Gross Value Added (GVA). The value of Bradford's economy at 2015 as measured by total GVA was £9.5 billion that was the eighth largest economy of any City or District in England and the eleventh largest in the UK. GVA estimates for 2016 onwards project a steady increase. The district economy is forecast to be worth around £11 billion in 2025, an increase of around 16%.

As a location for key sectors with identified future growth such as retail, business services and digital and creative industries, the city centre must play a vital role in our economy. Bradford needs to build on its existing strengths in further and higher education and to continue to expand its retail and leisure offer. The increasing use of automation and artificial intelligence in industry will see around one third of existing jobs disappear over the next twenty years and the emergence of what has been termed the 'Urban Entrepreneur'. Cities and city centres in particular are where the majority of new jobs will be created. To compete, Bradford has to ensure it offers a liveable, vibrant and attractive place in which to attract and retain businesses and talent.

Bradford city centre is an important shop window to the district – the area with the highest concentration of visitor related facilities and a key visitor destination which is attracting an increasing numbers of visitors. This year saw the City host the start of the third stage of the Tour de Yorkshire, which provided an opportunity to showcase the City and the District.

Bradford's City Centre Growth Scheme has delivered impressive results, supporting businesses to create jobs and occupying vacant units and encouraging new investment in the City Centre.

City Centre Regeneration Update

In order to ensure that Bradford remains competitive and thriving city centre, the Council is currently proactively progressing a number of key regeneration projects, and these include:

1. Bradford Odeon

As highlighted in the report to Executive on 5th December 2017, Bradford Live has now secured a formal proposition from the NEC International Group to occupy the refurbished former Odeon building, following a competitive marketing process lasting over the course of this year.

NEC is one of the principle exhibition and conference operators in the UK. They operate 3 live music venues in Birmingham, have recently completed a live music venue in Dublin and have another venue under construction in Paris.

Subject to securing the necessary funding a planning application will be submitted in Spring 2018, construction works are scheduled to commence early 2019 with a planned opening of the new venue in Autumn 2020.

Further to the report submitted to Executive on 5th December 2017, the confidential appendix provides an update on the outstanding issues in respect of procurement, State Aid, and the powers under which the Council may lend.

2. Proposed relocation of the Oastler Market

The Oastler Shopping Centre has 177 stalls providing a retail sales area of 25,538 square feet along with 23 external shops. At the rear of the centre is a servicing area for tenants, which is available during retailing hours as well as over 25 individual storage units. The product offer differs from Kirkgate Market as it has a vibrant fresh food offer and did have a strong retail anchor in Morrisons, before they vacated.

The Kirkgate Market is one of the key anchor tenants of the Kirkgate Shopping Centre. The market is located on the 1st floor of the shopping centre with direct access from the shopping mall and also via a pedestrian ramp on Westgate. The Market has 184 stalls with a retail sales area of 18,872 sq. ft. The offer is traditionally non-food, offering mainly unbranded clothing and household wares. This commodity group has been hit hardest by the many discount outlets in the City Centre.

The Council is looking at ways to revitalise its market offer whilst at the same time exploring how it can best assist in the regeneration of Darley Street to ensure maximum benefit for the market traders, other Top of Town businesses and the visiting public.

The benefits the Council anticipates delivering include the creation of a more attractive and fit for purpose food market in a more central location in tandem with a modernised Kirkgate Market environment for non-food sales. This will in turn assist with the regeneration of Darley Street, whilst the successful redevelopment of the

vacated Oastler site could bring a substantial number of new residents to the Top of Town.

The vision is to develop and sustain an attractive, inviting and vibrant city centre retail market that offers a diverse range of goods to meet the need of our community that will add value to the economic, social, environmental and cultural fabric of Bradford City Centre and provide a shopping location that creates a dynamic vibrant and diverse experience.

The new food focused market will be modern, flexible, welcoming and accessible to all. It will focus on the sale of fresh food and food related products and have a dedicated hot 'World Food' court demonstrating the full range of multi-cultural foods available in Bradford. The hot food offer will provide informal and communal seating to allow customers to linger and experience the theatre of markets.

The market will offer the best of local and regional fresh food and be recognised as a centre for food retailing excellence and a key shopper destination in Bradford City Centre.

At a local level, traders in the Oastler Centre have indicated that the number of customers has fallen considerably as a result of the closure of the Morrisons Westgate store. In addition, traders also consider that the number of vacant shops on Darley Street has been a barrier to encouraging shoppers to visit the middle part of town.

The Markets regeneration scheme will involve the refurbishment of the Kirkgate Market requiring its modernisation according to a phased programme of works as vacant possession of the market site will not be available.

The former Marks & Spencer building on Darley Street is the proposed location to create a purpose built food focused market. Vintry House (a building linked to the M&S building via an air corridor across Piccadilly) will be required for utility services, delivery, storage and waste removal. There may be commercial potential in using the upper floors as a storage facility.

Market Design

A specialist market design team was appointed in August 2017 to conduct a feasibility study and prepare initial designs. The design team will complete work to RIBA stage 2 by the end of December 2017, and the design team are expected to move into RIBA stage 3 by April 2018, following which a detailed report will be submitted to Executive mid 2018.

3. Proposed redevelopment of the Oastler Centre site

Due to a combination of events including the economic downturn, a shift in retail trends and the cementing of the City Centre's retail core in the area incorporating the Broadway, the Forster Square Retail Park, Shopping Centre and the proposed mixed leisure/retail development on the British Land Site, a major part of the City Centre located around the Kirkgate Shopping Centre and Darley Street that was once considered to be prime 'High Street' location now finds itself struggling and in

need of a new identity and direction.

While the North Parade area continues to remain vibrant the 'Top of Town' secondary retail location has experienced a downturn in performance with Morrisons closing their store and reducing footfall numbers at the Oastler Market. The City Centre residential market is evolving and some development has taken place, particularly in terms of small one bedroom/studio apartments aimed at the singles/young couples and the student market. This predominance of small, basic quality, readily available and relatively affordable accommodation has a place in a mixed urban market but the provision of more apartments providing 2/3 bedrooms, with larger footprints and higher amenity quality together with family orientated homes is essential if the City Centre is to become a location of choice for local people and one which has a truly sustainable future.

Work is now beginning to bring forward the creation of a vibrant, safe and attractive 'City Village' where people will want to live, work and enjoy their leisure time and where business will want to trade, invest and grow is the shared vision for the priority area of focus that roughly covers the area incorporating:

- The 'Top of Town/Oastler Market Major Development Site
- North Parade/Rawson Square
- Piccadilly, Darley Street and James Street
- The Kirkgate Arndale Shopping Centre
- and Oastler Market/Top of Town areas

4. One City Park

The Council agreed to the transfer of ownership of the Tyrls building from the Homes and Communities Agency (HCA) in 2013. The police station was demolished and the redundant holding cells relocated to the basement of the existing Magistrates Court. The new cells and Youth Court have been operational since August 2015.

Outline planning permission was granted in December 2014 for the development of 8,500 sq m (90,000 sq ft) of Grade A offices with potential for ground floor restaurant and bar uses and the project is known as One City Park.

Dialogue has taken place between a potential end user and developer during this time to secure a development, but unfortunately this did not result in a formal offer and discussions were concluded. In order to progress a scheme officers from Economic Development have begun an initial Expression of Interest process to bring the development to the attention of end users and developers.

The proposed scheme was launched in London at the MIPIM (UK) event on 18th October 2017 and it is intended to market the opportunity to the developers and target end users directly. As retained agents for the scheme, Cushman Wakefield will be tasked with identifying potential occupiers.

It is intended to move to a more formal Invitation to Submit Proposals process in early 2018, targeting the developers and 'end users' that have expressed an

interest. This will be followed by a formal selection process to secure a preferred developer/end user by the end of 2018.

Detailed design and planning will follow with the intention of having a completed development by 2021.

One City Park is a key location for new Grade A offices in the city centre and this is reflected in the city centre area action plan. Officers in Financial Services have assisted with the initial funding agreement for the £400,000 and this was drawn down in March 2016. There is an additional facility of £4.8m held by West Yorkshire Combined Authority (WYCA) which has been made available to contribute in bringing this project to fruition, the funding from WYCA is ring-fenced for the One City Park Project and cannot be redistributed or transferred to any other WYCA project.

The majority of the funding for the project will be secured from the selected private sector development partner or end user through the completion of an appropriate development agreement.

The formal process of inviting submissions of scheme proposals from interested developers or end-users will include a requirement for the interested parties to present their funding and delivery models for full Council appraisal, consideration and comparison before selecting a preferred development partner.

5. Renovation and refurbishment of St Georges Hall

St Georges Hall is a Council owned, Grade II* listed Victorian building which opened in 1853. Since its opening, St Georges Hall has been primarily used as a music hall and is, as it stands, the oldest concert hall still in use in the UK and the third oldest in the whole of Europe.

The building last benefited from major capital investment in the early 1980s following a fire back-stage. Like many other historic buildings, St Georges Hall required a major refurbishment to ensure its continued use for future years.

The Council closed the venue in 2016 to enable its renovation and refurbishment, and following 12 months of preparatory work, Henry Boot Construction Ltd was appointed as the main contractor and refurbishment works commenced on site in the Summer 2017.

The current programme of works is progressing well and on programme and can be summarised as follows:

Full renovation of the external envelope of the building including:

- The full repair of the stonework elevations
- The replacement of the drainage system from the roof
- The replacement of the roof including both the roof structure and new slate tiles
- The full repair of all windows

Full replacement/refurbishment of the building's systems including:

- Full rewiring

- New lighting, fire and intruder alarms
 - Improved life systems
 - Refurbishment of the ventilation system
 - Improved access to the “back of house” access
- Improvement to the customer’s experience, including:
 - Replacement and/or refurbishment of all auditorium seats
 - Alteration to the seating layout and tiers
 - Installation of a new stage
 - Full refurbishment of the “front of house” areas including, toilets and bar areas.

Being a listed building, all works must be carried out to the satisfaction of both Historic England and conservation officers, employing similar building techniques as were used when the building was first built and retaining as much of the original structures as possible.

The Council anticipates that Theatres will then instigate a “soft re-opening” of the venue, upon completion of the refurbishment project in advance of it being fully operative towards the end of 2018.

The works are in part funded by the Heritage Lottery Fund (HLF) (29%) and by Bradford Council (71%).

The Council has also secured the 2 year appointment of a Heritage Officer, funded by the HLF who will work with local communities and schools on the history of the building, and the appointment by the contractors and their supply chains of 2 apprentices, a stonemason and a plasterer.

6. City Centre Station Gateways

A key objective of the West Yorkshire plus Transport Fund is to drive economic growth and increase access to employment opportunities by improving the region’s roads and railways by connecting people to jobs and goods/ services to markets.

The Station gateways element of the Transport Fund programme seeks to improve station environments particularly in our city and town centres, provide additional parking for rail commuters and reduce journey times on certain routes. Both Bradford Interchange and Bradford Forster Square stations have been agreed as priorities by WYCA.

The Council commissioned the development of master plans for both Bradford Interchange and Forster Square stations in the city centre to provide a long term vision for future development. The aim is to create high quality station gateways to support the regeneration of the city centre, create schemes that are ambitious but deliverable and improve the visibility and connectivity of the stations to the city centre.

Plans for the Bradford Forster Square station are more advanced than those for the Interchange and consultants Arup and AHR have been appointed to produce an outline station design. This will be used to seek funding from the West Yorkshire Transport fund for detailed design and full business case work. The proposed design includes a fully enclosed station, the provision of new lifts, a café, toilets and pods that sit within the existing station arches offering facilities such as cycle storage and retail provision. The scheme will cost in the region of £17m and should be completed by 2021 at the latest. The Council is currently working with its partners WYCA, Network Rail, Northern and Virgin East Coast to develop the proposals with public consultation at Bradford Foster Square Station undertaken in December 2017.

Further master planning work on Bradford Interchange is being undertaken by consultants SYSTRA and BDP. It is recognised that the redevelopment of both the bus and rail station will need to complement other key regeneration projects in the city including Jacobs Well and No1 City Park. The consultants are considering these and looking at how a station serving the Northern Powerhouse Rail network could be incorporated into the site.

This master planning work to date on Bradford Interchange has suggested deliverable schemes that could be broken down into three long term programme areas Phase 1 (up to 2026), Phase 2 (2026 to 2035), Phase 3 (2035+ linked to delivery of Northern Powerhouse Rail) in order to deliver these key outcomes:

- Create an improved station gateway which is pedestrian orientated, safe, attractive and fitting of a major city centre
- Create taxi and drop off facilities which facilitate the above pedestrian focused station gateway but which are themselves attractive to users
- Create a station concourse environment which is attractive to users in terms of amenity and accessibility;
- Provide better connectivity at the stations between different transport modes (e.g. bus, train, coach, taxi, airport and car parks).

3. OTHER CONSIDERATIONS

Not applicable

4. FINANCIAL & RESOURCE APPRAISAL

The Council's Capital Investment Plan (CIP) for 2018-21 will be finalised for the Budget Council in February 2018. The existing CIP includes the following capital estimates:

- Relocation of market £9.4m
- St George's Hall £8.9m

The authorised capital estimates and the revenue consequences for all other projects mentioned in this report will be finalised through the budget process, with outline estimates as follows:

- Former Odeon £12m (loan, to be repaid from income stream)
- One City Park £25.3m (revenue costs to be offset by income stream)
- Top of Town redevelopment £3m (Council contribution only)
- Station Gateways £17m (Funded from West Yorkshire Plus Transport Fund).

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

Please see attached confidential appendix

6. LEGAL APPRAISAL

Please see attached confidential appendix

7. OTHER IMPLICATIONS

EQUALITY & DIVERSITY

At this stage there are no specific equality and diversity issues.

SUSTAINABILITY IMPLICATIONS

At this stage there are no specific sustainability implications

GREENHOUSE GAS EMISSIONS IMPACTS

At this stage there are no greenhouse gas emissions impacts

COMMUNITY SAFETY IMPLICATIONS

At this stage there are no community safety implications.

HUMAN RIGHTS ACT

There are no Human Rights implications

TRADE UNION

There are no Trade Union implications

WARD IMPLICATIONS

None

8. NOT FOR PUBLICATION DOCUMENTS

Former Bradford Odeon – Not for Publication Appendix

This appendix is not for publication and is exempt from disclosure in accordance with paragraphs 3 and 5 of Schedule 12A (financial or business affairs and legal privilege) of the Local Government Act 1972. It is considered that in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information

9. RECOMMENDATIONS

Members are recommended to note the contents of this report, and the recommendations in the confidential appendix

10. APPENDICES

Appendix 1 – Confidential appendix in respect of the Odeon

11. BACKGROUND DOCUMENTS

None