

16th October 2012

Walsall Town Centre

Ward(s) St Matthew's

Portfolios: Cllr Adrian Andrew – Regeneration

Executive Summary:

The regeneration of Walsall town centre is crucial to the economic prospects of the Borough. The town centre is classified as a strategic centre, and is the main centre for the Borough, as well as some surrounding areas, for comparison shopping and other town centre uses. It is also that part of the Borough with the greatest concentration of jobs and of other services, for example health, further education and leisure facilities. In these circumstances, it is not surprising that the town centre has been the focus for considerable investment over the last 5 years, with approximately £375m of investment attracted into the town centre over that timescale. The main body of this report considers in detail some of these investments.

There are however continuing challenges facing the town centre, which include high vacancy rates and falling rents, a relatively poor catchment population, high unemployment rates, low demand for space and increased competition from nearby centres. These challenges are largely the result of ongoing global economic problems and longer term structural decline in Walsall, and mean that the financial viability of regeneration schemes in Walsall are increasingly marginal. As such, there must be an even greater level of intervention by the Council to create the conditions for economic growth and jobs. Whilst town centre projects worth £375m have been delivered, work is ongoing to deliver the next phase of projects over the next 2-3 years, which should lead to a further £60m of investment, and again these are noted in further detail in the report. Thereafter, further consideration is being given to the next phase of regeneration projects to complete the transformation of the town centre in the longer term.

At the request of Regeneration Scrutiny Panel members, this report provides an update on a number of closely related issues concerning Walsall town centre. This includes a summary of the following:

- Plans for the future of the town centre, which are being proposed through the Walsall Town Centre Area Action Plan.
- An update on key town centre projects, focussing on proposals for the Big 3 Walsall town centre projects, Walsall Waterfront, Gigaport and the St Matthew's Quarter.
- Long term investment in the public realm, and its role in linking different parts of the town centre.

Reason for scrutiny:

Regeneration Scrutiny Panel members have requested an update on Walsall town centre, focussing on plans for the future of the town centre, an update on key town centre projects and public realm in the town centre. This report addresses these closely linked issues at a strategic level.

Recommendations:

Scrutiny Panel is recommended to:

- 1. Note and endorse progress on the Walsall Town Centre Area Action Plan, and consider if the Panel's workstream should be amended to consider this further.*
- 2. Note and endorse progress on the key town centre projects and consider if the Panel's workstream should be amended to consider this further.*
- 3. Note the position on potential investment in public realm in the town centre and that a separate review is ongoing into town centre maintenance.*

Background papers:

ECOTEC (October 2007) "Economic Impact of the Public Realm – A final report to the East Midlands Development Agency".

Resource and legal considerations:

The regeneration of the town centre will have long term positive benefits for the local economy. However, given the nature of delivering regeneration projects over a long period, there is an ongoing impact on Council resources (people and money) and time, and on similar resources in the private sector. These resource requirements will continue, and potentially grow, if increased intervention is required by the Council to ensure delivery.

Citizen impact:

The regeneration of the town centre will have long term positive benefits for the Borough, making it a more attractive place to live, more accessible and more affluent, creating jobs for local people. This should increase the pride which the Borough's citizens have in Walsall.

Environmental impact:

The regeneration of the town centre will deliver an improvement in the overall attractiveness of the town centre, replacing poorly designed buildings or derelict

buildings with new, high quality design. Ultimately, it should also include investment in the public realm of the town centre.

Performance management:

The projects noted in the report are the subject of individual project management processes, which are performance managed and scrutinised on a regular basis.

Equality Implications:

An Equality Impact Assessment has not been carried out for this report. However, individual assessments have been carried for different projects referred to in the report, and all have found to be sensitive to protected characteristics.

Consultation:

Regeneration Directorate colleagues have been consulted on the preparation of this report.

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Report detail

1. Walsall Town Centre Area Action Plan

- 1.1 The planning policy framework for the town centre has been established by the Black Country Core Strategy. The Vision in the Core Strategy is that:

“By 2026 Walsall strategic centre will have been regenerated as a sub-regional focus for the local economy and the community. It will provide its catchment area with an attractive choice of comparison shopping and leisure, entertainment and cultural facilities, as well as supporting a thriving office market. Walsall will also support modern town centre living. The centre will bring all of these activities together in a vibrant, safe, attractive and accessible environment that combines local heritage with modern design.”

To meet this Vision, the Core Strategy has set targets for the town centre, and the Council must plan for the delivery of the following targets by 2026:

- 85,000 sq metres of additional comparison retail floorspace
- 220,000 sq metres of additional office floorspace
- 450 new residential dwellings

- 1.2 In order to deliver against this Vision, the Council has agreed to undertake an Area Action Plan (AAP) for Walsall town centre. The AAP needs to proactively plan to meet the targets noted, and other aspirations for the regeneration of the town centre, for example improvements to the town centre transport interchanges, the town centre leisure offer, town centre parking and the legibility and attractiveness of the town centre as a whole. The AAP will be a statutory planning document, subject to public consultation and a planning enquiry, and the first consultation stage in this process will commence early in the New Year when the Issues and Options document will be publicly available for consultation.

- 1.3 This first stage is important because it will bring forward all the issues affecting the town centre for public debate, and what the options are for resolving these issues. The conclusions of this stage will inform the Preferred Options stage when a more traditional land use plan will emerge for the town centre, which will be tested for viability and deliverability. The AAP is being developed alongside a Site Allocation Document, which is proposing how Walsall can meet aspirational targets for the rest of the Borough, including proposing land upon which to build houses and create employment opportunities. A Member’s Sub-group has been set up to help steer both these planning policy documents, and it will meet again prior to public consultation commencing.

2. Key town centre projects

- 2.1 The Regeneration Directorate has played a significant role in delivering the £375m of investment in the town centre, facilitating it by creating the correct conditions for economic growth and job creation. This investment has been underpinned by a strong strategic direction for the town centre to address the challenges outlined above, and the Vision set by the Core Strategy. The strategic direction is focussed upon improving the retail offer in the town centre, increasing the number of service sector jobs and improving the town centre’s leisure offer, all of which will ensure that more disposal income is captured in the local economy.

- 2.2 To deliver the investment in the town centre's transformational projects, there has been considerable intervention, and this approach will need to continue. This has included the assembly of strategic sites for investment, preparing these sites for the market through demolition and site investigations, drafting development and sale agreements which deliver development, securing deliverable planning consents, preparing funding bids and supporting others in their bids, and providing an account management relationship with investors and landowners to smooth the passage of development.
- 2.3 Much of the regeneration activity in the town centre in recent years has concentrated on three strategic projects, and the focus needs to remain on these projects to deliver the required transformation of the town centre. The importance of these projects will be stressed in the emerging AAP, and these projects will partially meet some of the aspirations expressed for Walsall town centre in the Core Strategy. Progress with the Big 3 projects can be summarised as follows:
- 2.4 Walsall Waterfront – this location is seen as the place where family orientated leisure development will be concentrated, building upon the success of the iconic art gallery and the attractive canalside location.
- 2.4.1 On the northern side of the canal, the £10m Premier Inn is nearing completion and is due to be opened in mid November. This development will provide 100 beds and a ground floor Brewer's Fayre restaurant in an attractive canalside location. It is hoped that this development will provide a stimulus to the next phase at Waterfront, where family orientated leisure led development is expected to be delivered by developer Urban Splash. This will be particularly important in increasing footfall in the town centre and making Walsall a leisure destination.
- 2.4.2 The Lex site beyond the holiday hypermarket is owned by the Homes and Communities Agency (HCA) and is currently being marketed by agents Jones Lang Lasalle. This site benefits from a dual canal frontage and should prove attractive for leisure led development once the next stage of development by Urban Splash has made further progress.
- 2.4.3 The £40m Jessup development at Waterfront South is nearing completion with 322 residential units, supported by £15m of HCA funding, and should be completed by the end of the year. Approximately 25% of these units are being occupied by key workers at the Manor Hospital, itself the subject of over £170m of investment, and the commercial units on Charles Street are now occupied by a mid-wife led birthing unit.
- 2.4.4 The development at Waterfront South and the Premier Inn hotel draws attention to the block of land on Marsh Lane/Upper Navigation Street which is occupied by derelict buildings, and attracts anti-social behaviour. An appropriate way in which the Council can intervene in this site is currently being considered.
- 2.5 Gigaport – this is the location, either side of Littleton Street from Green Lane to the Arboretum, which is seen as the key location for office developments within the town centre. The Gigaport masterplan has outline planning consent for 127,000 sq metres of office floorspace, and is the Council's response to meeting some of the aspirational targets outlined in the Core Strategy.

- 2.5.1 Located adjacent to the Gigaport area are the new College (opened September 2009) and the Tesco (opened December 2010 creating an additional 200 jobs) which together have attracted £115m of investment. These developments, alongside the new £8m headquarters for whg have set the design standard and scale for developments within the Gigaport area.
- 2.5.2 The challenge now is deliver the next developments within Gigaport, and the Council is promoting a number of sites in its ownership, for example the site adjacent to the College formerly occupied by Lime House, and the former Noirit foundry site opposite whg. Both of these sites have been cleared by the Council, hoardings installed to advertise them as development opportunities, and a site investigation is currently underway on the Noirit site. Once the conclusions of the site investigation are known, it is hoped that the Noirit site can be reclaimed and serviced in preparation for a preferred developer to build two office buildings and create approximately 100 jobs.
- 2.5.3 The Council is also a minority owner of the site adjacent to Tesco, with the remainder in the ownership of Tesco. This site has been jointly marketed and a preferred developer Cordwell Property has been appointed to deliver a leisure led mixed-use scheme. It is anticipated that a planning application will be submitted in the coming months and that ultimately up to 100 jobs will be created on the site.
- 2.6 St Matthew's Quarter – this is the part of the town centre where there is considered to be the greatest capacity for growth in comparison retail floorspace in the short to medium term.
- 2.6.1 The owner of the Old Square shopping centre has reacted to the relocation of Tesco by providing retail space for Primark and a Co-op food store. The Primark investment will represent the first new major comparison retail unit in the town centre for some time, and is expected to attract a different type of younger shopper into the town centre. This development is expected to commence on site in the New Year, and will hopefully lead to further investment in the Old Square shopping centre thereafter, for example in enhancing the Debenham's store.
- 2.6.2 The other major retail proposal in this part of the town centre is Norton & Proffitt's redevelopment of its property on Digbeth and Lower Hall Lane. Following the new £25m Asda supermarket and car park, which opened in 2007, this represents the second phase of development by Norton & Proffitt. The site is currently being marketed for 11 retail units, and it is being promoted as being in close proximity to the Primark store. It is anticipated that a planning application for this development will be submitted within the next few weeks, and development will commence within 12 months. This development will complement the recently completed £2.5m Goldmine Centre for the Vine Trust, and will hopefully lead to greater interest in the redevelopment of the former Shannon's Mill site to the rear.
- 2.6.3 The St Matthew's Quarter is also the historic home for the market, which is an important element of the retail offer in the town centre. However, the current location of the market in Bradford Street, The Bridge and Digbeth is only a temporary solution, and consultants have been appointed to consider a permanent location for the market.

2.7 Other town centre opportunities – in addition to the Big 3 projects outlined above, other parts of the town centre are in need of investment to fulfil the Vision for Walsall outlined in the Core Strategy and the aspirations within the AAP.

2.7.1 The two town centre bus interchanges are at capacity, and transportation colleagues are in discussions with Centro to increase capacity at each of the bus stations. Furthermore, the recent announcement of electrification of the railway line from Walsall to Rugeley will increase its capacity and patronage, and enhance the argument for the introduction of fourth platform at the railway station. Future improvements in public transport should be complemented by an improvement in the quality of car parking in the town centre, and this is being considered through a separate work stream.

2.7.2 With progress on the Big 3 projects well underway, consideration is also being given to the regeneration of other parts of the town centre in the longer term. This includes the retail core of Park Street and the two shopping centres (Saddlers Centre and Park Place) and the particular need to improve legibility between the retail core and the transport interchanges and Crown Wharf. Furthermore, the following areas of the town centre are in need of investment:

- Bradford Street/Jerome retail park
- Station Street
- Stafford Street
- In Town
- Ablewell Street/Bridge Street

2.8 Business support – whilst this report aims to outline the strategic approach in regenerating the town centre in the medium and long term, it is important to recognise the importance of managing the town centre on a day to day basis.

2.8.1 The physical regeneration of the town centre is underpinned by developing and maintaining strong and proactive relationships with existing businesses. Development and Delivery also seek to attract new businesses, reducing vacant units and sustaining existing businesses through delivering a number of projects and activities designed to promote the retail and business offer and to increase footfall in the town centre. A Walsall “town team” is now in existence, made up of local business leaders, to promote the town centre and support the Council in achieving its aspirations for the town centre.

2.8.2 The Council has also been awarded £100,000 of DCLG funding from the Innovation Fund. This will be used to promote entrepreneurial activity within the town centre by financially supporting budding entrepreneurs to utilise existing vacant shops to deliver their business activities. A prominent vacant unit will also be used to promote enterprise and provide bite size training to improve our residents’ skills across the Borough, paying particular attention to our younger generation.

3. Town centre public realm

3.1 The quality of the public realm is an important issue for both the public and developers and investors in the town centre, and it has been proven that there is a link between investment in public realm and economic growth/job creation. A report for East Midlands Development Agency in 2007 concluded that high quality

public realm, and investment in it, is important to achieving competitiveness of place. This investment brings with it economic impacts by attracting further investment, increasing land and property values, attracting visitors, increasing tourism, improving productivity and enhancing image.

- 3.2 Whilst there has been significant investment in the public realm in recent years, for example the Civic Quarter (led by Development and Delivery) and Waterfront, and limited investment to declutter Park Street, the overall quality of the public realm can only be described as mixed. In particular, the main shopping streets of Park Street and Digbeth are in need of some investment in the public realm to improve the overall attractiveness of the town centre environment.
- 3.3 Given the difficult economic conditions and the marginal viability of delivering major investment in Walsall, there is generally a reluctance or inability amongst the private sector to contribute towards investment in the public realm through section 106 or other planning related arrangements. Furthermore, whilst central government has invested in the public realm previously, for example through regional development agencies, the current austerity measures mean that such funding is no longer available. It is therefore considered that unless a Business Improvement District was established with a view to contributing towards investment in the public realm, or some other form of public private partnership was established, that it would have to be the Council itself which would have to invest in the public realm to create the necessary improvements.

4. Town centre maintenance

- 4.1 The Town Centre Operations Group has also been established to improve internal communications on a range of issues affecting the day to day operation of the town centre. This includes how the Council delivers highway maintenance and street cleansing services to the town centre, as well as coordination around important events and licensing.
- 4.2 Through a Town Centre Working Smarter Review, and in conjunction with the Operations Group, a number of key operational activities within the town centre are already under review. This includes an emerging report around the level of maintenance in the town centre and the full report will be completed over the next coming months.

5. Conclusions

- 5.1 Investment in the town centre is critical to the economic viability of the town centre, and the Borough as a whole. Whilst there has been considerable success in attracting circa £375m of investment into the town centre, continued intervention is required to secure the next stages of regeneration and create the conditions for economic growth and job creation. The emerging AAP will help to remove some of the risk to town centre development by providing a level of planning certainty. However, with continuing economic uncertainty and the marginal viability of investing in Walsall, there needs to be a continued role for the Regeneration Directorate to facilitate investment and create the conditions for growth, whilst also supporting existing businesses.