

Bolton Council

Report to:	Executive Member For Development		
Date:	26 th February 2007		
Report of:	Director of Development and Regeneration	Report No:	EMDR/08/07
Contact Officer:	Louise Woods	Tele No:	6123
Report Title:	Knowsley House Redevelopment		
Non Confidential:	This report does not contain information which warrants its consideration in the absence of the press or members of the public		
Purpose:	This report is to consider proposals for Knowsley House and adjacent sites; and to endorse the principle of using the Council's Compulsory Purchase Powers to achieve them.		
Recommendations:	<p>It is recommended that Executive Member:</p> <ul style="list-style-type: none"> • Welcomes the development proposals described in this report and endorses the principle of using the Council's Compulsory Purchase Powers to achieve them. • Recommends the report for referral to the Council Executive for approval. 		
Decision:			
Background Doc(s):			
Signed:	<div style="display: flex; justify-content: space-between;"> <div>Leader / Executive Member</div> <div>Monitoring Officer</div> </div>		
Date:			

Summary:

The report describes local developer Gordon Moon Properties redevelopment proposals for Knowsley House and adjoining land in Bolton Town Centre together with the economic and regeneration benefits that this development would deliver as part of the broader regeneration of the town centre.

The second part of the report describes the approach the Council has received from the developer to use the Council's Compulsory Purchase powers to acquire the outstanding land interests to assemble the whole site for the redevelopment to happen.

1.0 Introduction

- 1.1 The report describes local developer Gordon Moon Properties redevelopment proposals for Knowsley House and adjoining land in Bolton Town Centre. It also describes the economic and regeneration benefits that this development would deliver as part of the broader regeneration of the Town Centre.
- 1.2 The report proposes that the Council considers using its CPO powers to facilitate the redevelopment of this significant part of the Town Centre.

2.0 Background

- 2.1 Gordon Moon Properties submitted a planning application (No. 72980/05) and Conservation Area Consent (No. 72979/05) on the 13th December 2005. The planning application was for a comprehensive mixed-use redevelopment of Knowsley House comprising the refurbishment of Knowsley House and construction of 74,600sqft of new retail and office floor space. The scheme proposed a contemporary piece of architecture, which would be a landmark building on the junction of Deansgate and Market Street in accordance with the recommendations of the then emerging Building Bolton framework. The scheme will deliver high quality retail and office floor space, in a key Town Centre location and will attract major high street retailers and provide much needed modern office floor space in the Town Centre. The application has been considered by the Planning and Highways Committee (18th May 2006) and Members were minded to approve the development, subject to a Section 106 Agreement. The final decision has been delegated to the Director of Development and Regeneration.
- 2.2 The scheme comprises Knowsley House and all properties bounded by Deansgate/ Market Street/ Corporation Street and Knowsley Street and is in the ownership of Gordon Moon Properties with the exception of 62 Deansgate (Early Learning Centre). The scheme entails the extension and refurbishment of Knowsley House and the demolition and redevelopment of the remaining properties.
- 2.3 Gordon Moon has also agreed to contribute towards public realm works in the vicinity, in lieu of a public art contribution at the request of the Council. This will be secured by Section 106 legal agreement and pooled with other public realm funds from the Market Hall and Central Street developments to deliver a high quality public realm in accordance with the specifications set out in the emerging Bolton Town Centre Public Realm Implementation Framework.
- 2.4 CB Richard Ellis acting on behalf of the Applicant, have produced a planning statement which sets the context for the proposals against the relevant national, regional and local planning policy and guidance.

3.0 Current Situation

- 3.1 The site comprises a collection of existing buildings bounded by Knowsley Street, Market Street, Corporation Street and Deansgate.
- 3.2 Appendix 1 sets out the land ownership details for the site.
- 3.3 Gordon Moon Properties have been interested in acquiring 62 Deansgate (Early Learning Centre) since August 1994, when they started to work up the Knowsley House redevelopment proposals. In this intervening period, Gordon Moon Properties have made over 13 financial offers to the property owner, Mr Freed, but to no avail.
- 3.4 The latest offer made on the 13th September 2006 at a figure considered to be significantly in excess of open market values was rejected. After much correspondence between property agents, the owner is now willing to contemplate a higher value, however, Gordon Moon Properties is not prepared to meet this demand given the fact that the figure is significantly in excess of the offer made. Thus, attempts to acquire by private treaty have failed.
- 3.5 Bolton Council has received a written request from Gordon Moon Properties on 18th October 2006 to invoke the powers of Compulsory Purchase in order to facilitate site assembly of the outstanding interests. The developer is willing to enter into an Indemnity Agreement with the Council, and bear the total cost of any compensation, acquisition and legal costs in connection with the CPO.
- 3.6 Gordon Moon Properties have written to Mr Freed at the beginning of February 2007 asking whether he is interested in discussing the sale of the land in question. Gordon Moon Properties have had no response to date.
- 3.7 Subject to Executive Member support for this principle, then this report will be referred to the Executive in March 2007, for a resolution to consider invoking the powers of Compulsory Purchase in order for Gordon Moon Properties to assemble the site.

4.0 The benefits of the Development

- 4.1 The Bolton Town Centre Action Framework (TCAF) sets out an ambitious vision for the regeneration of the Town Centre over a 10 year period. This vision is now beginning to manifest itself on the ground with a number of new developments already on site across the Town Centre and a number of the major strategic development opportunities set out in the TCAF in the early stages of development. The Position Statement (Jones Lang LaSalle, November 2006) forecasts that this vision has the potential to deliver 5,200 new jobs and £600M of investment across the Town Centre over the next 10 years in a number of growth sectors.
- 4.2 The development site is adjoining two major retail led regeneration initiatives, the Market Hall redevelopment and the Wilson Bowden Central Street scheme. The £40M Market Hall redevelopment will deliver 100,000sqft of new retail units, with construction on site due in February 2007, and completion due at the end of 2008. The Central Street scheme will deliver circa 350,000sqft of new retail floor space, ancillary development, 60 residential units and an 810 space car park. The Central Street scheme, based on the most recent forecasts will not be completed until the summer of 2011.

- 4.3 The development site occupies a key location in Bolton Town Centre and the delivery of the scheme will contribute to the delivery of the Council's objectives for improving the retail and office offer. The Position Statement identified that the Town Centre had a real shortage of Grade A office accommodation and that the rental levels were in part a reflection on the quality of the wider offer. The scheme will deliver 40,300sqft of Grade A commercial office floor space, which will provide a number of small floor plates up to 3,000sqft.
- 4.4 The Position Statement identified that in developing the Town Centre office market, initial requirements would be from local end users for smaller suites of up to 3,000sqft. The Knowsley House scheme will meet this requirement and act as a catalyst for further commercial office development in the Town Centre.
- 4.5 In addition the scheme will deliver 34,600sqft of new retail floor space which will complement the offer in the Market Hall redevelopment and the Central Street scheme. This in turn will help to support and maintain Bolton's role as one of the key retail destinations within the North West. The scheme has the potential to add sustainable and quality employment within the Town Centre. Retailing is seen as a major generator of jobs and activity and has the potential to add vitality to the streetscape and influence the image and perceived success of the Town Centre.
- 4.6 It is considered that the Gordon Moon Properties scheme would make a valuable contribution to the objectives of the Town Centre Action Framework not only by providing quality retail and office space, but also by acting as a catalyst for further development in the immediate surrounding area and across the Town Centre.

5.0 Justification of Council Involvement

- 5.1 Compulsory Purchase Powers are available to statutory bodies to acquire for their purposes. Specific powers for specific purposes are from the Highways Act, Housing and the Town and Country Planning Acts.
- 5.2 Section 226 (1) (a) of the Town and Country Planning Act 1990 sets out the appropriate powers for the Compulsory acquisition of land for development and other planning purposes if the authority considers the acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land.
- 5.3 A Compulsory Purchase Order should only be made where there is a compelling case in the public interest. It is strongly recommended that the Council invoke its CPO powers in this case, as the proposed scheme is likely to contribute to achieving economic and environmental well-being and all attempts to acquire by private treaty have failed. The scheme will deliver high quality retail and office floor space, in a key Town Centre location and will attract major high street retailers and provide much needed modern office floor space.

6.0 Equality Impact Assessment

- 6.1 An Equalities Impact Assessment has been carried out and no potential for differential impact has been identified for race, religion, gender, age, sexuality or caring status. However, any potential access issues for differential impact will be prevented through the planning control and building control processes.

7.0 Recommendations

7.1 It is recommended that Executive Member:

- Welcomes the development proposals described in this report and endorses the principles of using the Council's Compulsory Purchase Powers to achieve them.
- Recommends the report for referral to the Council Executive for approval.

It is recommended that the Executive:

- Approves the principle of using the Council's Compulsory Purchase Powers to acquire the outstanding land interests required, in order to enable the Knowsley House redevelopment proposals to proceed.
- Authorises the Director of Legal and Democratic Services to negotiate an Indemnity Agreement with Gordon Moon Properties to cover all costs of acquisition, compensation and legal work, prior to the making of the Compulsory Purchase Order.

