
Central Dudley Area Committee –15th March 2011

Report of the Director of the Urban Environment

Dudley Town Centre Regeneration

Purpose of Report

1. To update the Committee on regeneration activity in Dudley Town Centre

Background

2. The Dudley Town Centre Area Development Framework (ADF) was adopted by the Council as Supplementary Planning Guidance in 2005. Its vision is to achieve comprehensive redevelopment of nine opportunity areas together with public and civic spaces which will act as a catalyst for the transformation of the town centre
3. The ADF provides a means to address the economic decline of the town and provide a catalyst for complementary development within the town centre and the surrounding area.
4. Delivery of the ADF will also contribute to fulfilling the new role of Dudley town centre as set out in the new Black Country Joint Core Strategy (JCS). This statutory planning document addresses a wide range of activities and interventions that are required to create sustainable communities across the whole of the Black Country. It provides a framework for the regeneration and renaissance of the area, addressing its economic, transportation, social infrastructure and environmental needs whilst reducing its carbon footprint and helping to tackle climate change.
5. The JCS provides a vision for Dudley Town Centre based on family living in the rejuvenated market town; a tourism focus of regional and national repute based on Black Country Museum, Dudley Zoo, Dudley Castle and Dudley's geological and heritage assets. In the Centre's hinterland the vision is for innovative high quality industrial opportunities stretching towards the new strategic centre of Brierley Hill. The area will be set in an attractive environment, well connected by public transport through a new rapid transit system and served by significant new retail growth opportunities, office and leisure growth in Brierley Hill new strategic centre with high quality housing for all in and around both Centres as well as excellent green infrastructure through enhanced green spaces and parks.
6. Implementation of the ADF is expected to bring significant benefits to the town centre including creation of:
 - £15m of improvements to public and civic spaces and infrastructure

- new development worth £300m
- a catalyst for complementary development in and around the town
- 700 - 1000 residential units
- an additional population of between 1300 and 1800 residents in the town centre.

7. Since the adoption of the ADF the following have taken place

[a] Establishment of New Heritage Regeneration Ltd

The Arms Length regeneration company, New Heritage Regeneration Ltd (NHRL), was launched on 30 January 2009 and the Chair, Robin Butler, and Chief Executive, Bill Kirk, have been appointed. The organisation aims to work at arms length to, but on behalf of, the Council and its public sector partners to provide a broad range of expertise in programme management and design, public and private finance, valuation, cost, commercial and legal advice, and funding. It is structured for a ten year life with a review in the fifth year and seeks, through close working with the Council, to achieve major regeneration via the complementary skills of the private and public sectors.

[b] Public sector investment

A successful programme of land acquisitions in the town centre has been underway since 2007, funded by £5.9m of investment from AWM. This investment, focussed on the Wolverhampton Street/Priory Street/Tower Street area of the town centre, has acted to reduce development risk by bringing land within the control of the Council, and secured an income stream from rental income to support the running costs of NHRL. Furthermore, NHRL and the Council are in detailed discussions with the Homes and Communities Agency (HCA) to secure resources to support the delivery of the HCA's Local Investment Plan, for which a key priority is Dudley Town Centre.

In addition, a further £2.39m has been secured for the Dudley Town Centre Townscape Heritage Initiative from the following sources;

- The Council
- Heritage Lottery Fund
- Department of Communities and Local Government (DCLG) Growth Points initiative
- English Heritage's Partnerships in Conservation Areas programme

Bids totalling £8m have been submitted under the European Regional Development Fund's Sustainable Urban Development programme, and in addition, support has been given by the Council and NHRL to funding bids totalling £3m submitted by Dudley Zoo to the Heritage Lottery Fund and the new Regional Growth Fund

[c] Dudley Town Centre Partnership

The Dudley Town Centre Partnership has now been established and has met on a regular basis over the last 2 years. Its membership includes Elected Members and representatives from business, the community and other key stakeholders. It is anticipated that the Partnership will continue to play a key role in allowing

effective consultation and engagement with stakeholders as details emerge on individual projects within the ADF

Current development activity

Dudley College redevelopment

8. Dudley College is currently undergoing a major redevelopment of its property in the town centre. Of the college's six sites, four are to be disposed of either wholly or substantially. Two new buildings are to be constructed on two separate sites within close proximity of the college's main campus on The Broadway in the first phase. These two new buildings will be:
 - A Vocational Centre on the Tower Street West site providing for hair & beauty, sport & leisure, public services, creative and performing arts.
 - A Sixth Form Centre and attached Higher Education Centre on the Priory Road site
9. In addition, the college wishes to ensure the whole of its property strategy to form the new Town Centre campus is realizable before committing major funds toward the proposal. It therefore had sought outline planning consent for the second phase of the proposal being a new Construction and Engineering Technologies Centre block on the existing Broadway site and this was granted in September 2010
10. Further, the sites proposed to be vacated will also need certainty as to their redevelopment potential and to assist this, the College are seeking to obtain outline planning permission as part of the project programme. These sites are:
 - Mons Hill Campus
 - Wolverhampton Street Site
 - Castle View campus site (granted outline planning consent in February 2011)
11. Planning permission is currently being sought for the Sixth Form Centre and construction of the Vocational Centre, following the demolition of the Council's former ICT building at Tower Street, is expected to commence in March 2011.

Tower Street East

12. The first major development project to be brought forward by NHRL is that at Tower Street East. This project proposes the delivery of a 6,000 sq m food store and 400 space car park, with a high quality of design to respect both the frontage onto Castle Street and the backdrop to Dudley Castle which is consistent with the planning policy aspirations of the Town Centre. This project has been prioritised as a result of the need to deliver development in which the market currently has interest, and to provide high quality car parking in the heart of the town in advance, as set out in the ADF, of the redevelopment of existing surface level car parks in the town. A specialist development team has been assembled and market testing with selected foodstore operators has been completed, which has demonstrated that there is interest from operators in this development. It is proposed that NHRL will submit a planning application for this project which will seek to increase developer confidence and fix the design quality from an early stage.

Dudley Town Centre Townscape Heritage Initiative (THI)

13. The THI is a Heritage Lottery Fund (HLF) grant giving programme to assist the repair and regeneration of the historic environment within conservation areas in towns and cities. Its aims include:
- to use built heritage as a stimulant for economic regeneration;
 - to contribute to the sustainability of local economies ;and
 - to support the communities that live and work in each project area
14. The Council has been successful in securing £4.1m of grant from HLF and AWM for the 'Common Fund', plus a £150,000 contribution from the Council. A Project Officer has been appointed and liaison has been underway with the occupiers of 35 property projects interested in taking part in the initiative. However, the initiative suffered a major setback in August 2010 when Advantage West Midlands, following a strategic funding review, withdrew their £2.1m investment. Since that time strenuous efforts have been made to secure alternative funding, resulting in a revised funding package comprised of investment as follows;
- HLF (£1.9m, secured)
 - The Council (£150k, secured)
 - English Heritage (£140k, secured)
 - ERDF (£500k, bid submitted and in appraisal)
 - Growth Points (£191k, secured)
15. A revised programme of properties based on the above funding package has been assembled, and grant offers are currently being prepared by the Council for 4 priority properties where statutory consents and tenders have been secured and suitable funding is in place. Further grant offers are expected to be made upon confirmation of the ERDF funding, for which approval is currently expected in March 2011
16. The programme also includes training programmes, guidance for shop owners and heritage trails and interpretation. As an example of this, Future Skills Dudley have been actively involved in a successful Contractor Placement training scheme, and this initiative will be followed with other projects in the THI programme

Castle Hill & Zoo

17. The opportunity is being taken to ensure that, under the coordination of NHRL and with the strategic engagement of Dudley Zoo, the Black Country Living Museum and the Dudley Canal Trust, ambitious proposals for the site are effectively integrated with town centre development. The proposals for the comprehensive redevelopment of the site are based on;
- an ambition to raise visitor numbers from the present 600,000 per annum to 1 million per annum, which would place the attractions on a level with Warwick Castle and the Eden Project, and twice that of Cadbury World
 - a new access (for which planning permission was granted on the 2nd February 2010) from Tipton Road
 - preparation of land for new and complementary tourism/leisure development

- further capital investment in the Zoo
- acquisition of further land required for development, for which compulsory purchase powers were secured in November 2009

18. A funding bid of £4m has been submitted under the European Regional Development Fund's Sustainable Urban Development programme. In addition, support has been given by the Council and NHRL to funding bids of £1m and £2m submitted by Dudley Zoo to the Heritage Lottery Fund and the new Regional Growth Fund

19. The Council has taken the opportunity to carry out acquisitions of strategic sites to support the delivery of this project, and in late 2010 secured the purchase of the former Gala Bingo and Royal Brierley sites. Proposals are currently being prepared for the former site, and the Council's Archives relocation is now proposed to be located on the latter. The change in proposed location from the Black Country Living Museum car park to the Royal Brierley site has secured a saving of approximately £1m to the Council and provided early and complementary development activity at the Castle Hill site

Public Realm developments

20. A key element of the ADF is the enhancement of the town's public realm; its streets, squares, parks and gardens. Work is underway on the preparation of proposals for enhancements that will support safe, accessible and attractive public spaces. The first of these to be brought forward is the Market Place project, for which a £3m ERDF bid is currently in preparation. A presentation will be made to the Committee on these proposals, which seek to provide a vibrant, contemporary market place but which respects its significant history

Car parking and movement

21. A major issue to be overcome in developing the above and future proposals is that of movement (both pedestrians and vehicles) through and around the town centre, and car park provision. Whereas the town centre currently has a surplus of car park spaces, there is a clear relationship between car park use and distance from the centre, so that the more outlying car parks become less popular. In addition new development, temporary construction activity and the redevelopment of existing surface level car parking proposed in the ADF all have the potential to increase car park demand. These issues are being addressed via the preparation of an integrated movement strategy for the town centre and a model for predicting car park demand and supply over time so that development may be phased and transportation infrastructure planned for.

Finance

22. The costs involved in delivering the Dudley Area Development Framework will be met from resources provided by the agencies listed in paragraph 7(b) of this report and by the Council in partnership with private sector development partners.

23. Given the challenging economic climate, affordable opportunities will continue to be sought to secure appropriate additional external funding to support the delivery of the ADF

Law

24. The Council may do anything which it considers is likely to achieve the promotion or improvement of the economic, social, or environmental well being of its area under S2 of the Local Government Act 2000.

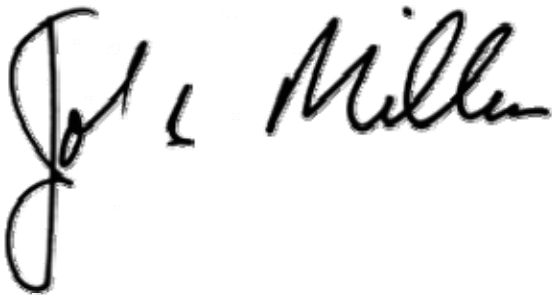
Equality Impact

25. Delivery of the Dudley regeneration programme would bring significant benefits to Dudley town centre. It would have a major positive effect on all users of the town centre including residents, visitors, businesses, investors and developers. Benefits would be achieved for people of all ages, including children and young people, and groups in society.
26. All work undertaken in connection with delivery of the Dudley regeneration programme would be carried out in accordance with the Council's Equal Opportunities Policy.

Recommendations

27. It is recommended that:

- The Committee note the contents of this report



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List of Background Papers

Decision Sheet DUE/56/2009 Compulsory Purchase Order powers for the acquisition of land at Castle Hill, Dudley

Cabinet Report (17 June 2009) 'Delivering the Masterplan for Dudley Town Centre', Joint Report of the Directors of the Urban Environment, Law & Property and Finance

Cabinet Report (11 June 2008) 'Delivering of regeneration in the Borough: a proposed arms length company', Report of the Director of the Urban Environment

Cabinet Report (31 October 2007) 'Delivering the Masterplan for Dudley Town Centre', Report of the Director of the Urban Environment

Cabinet Report (13 June 2007) 'Delivering the Masterplan for Dudley Town Centre', Report of the Director of the Urban Environment

Cabinet Report (13 December 2006) 'Dudley Area Development Framework: Cavendish Quarter Compulsory Purchase Powers', Joint Report of the Directors of the Urban Environment and Law and Property

Cabinet Report (15 March 2006) 'Appointment of Consultants in Connection with Dudley Town Centre Area Development Framework', Joint Report of the Directors of the Urban Environment, Law and Property and Finance

Cabinet Report (8 February 2006) 'Dudley Area Development Framework: Cavendish Quarter Compulsory Purchase Powers', Joint Report of the Directors of the Urban Environment and Law and Property

'Dudley Area Development Framework' (December 2005) Dudley MBC

Cabinet Report (21 September 2005) 'Dudley Area Development Framework: Compulsory Purchase Powers', Joint Report of the Directors of the Urban Environment and Law and Property

Executive verbal report (17 December 2003) 'Establishment of the Dudley Town Centre Partnership', Director of the Urban Environment.