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## **HALESOWEN AREA COMMITTEE-13<sup>TH</sup> JANUARY 2011**

### **Report of the Director of Urban Environment**

#### **Regeneration of Cradley/Windmill Hill**

##### **Purpose of Report**

1. To respond to issues raised by members around the potential for a more radical approach to the regeneration of Cradley/Windmill Hill local centre.

##### **Background**

2. The Cradley/Windmill Hill Local Centre Regeneration Plan was approved in February 2008 following extensive consultation during 2007. Its proposals are set out in 3 sections, Development, Movement and Environment and based on four key principles:

- The local centre as a focus for the local community
- The local centre maintaining its role as a local convenience centre
- That transport improvements act as a catalyst for change and,
- That all improvements respect the local character/fabric.

Delivery of the actions is set out in a phasing plan of short/medium/long term actions, a number of which have already successfully been delivered (and which is attached at appendix 1 to this report).

3. All the development sites within the plan are being progressed and some of the highway and public realm works have been carried out with funding from the Capital Programme. This work was completed in 2009.
4. In terms of major redevelopment opportunities the Council is seeking to promote activity on 4 sites. An indicative location plan will be displayed at Committee showing the sites referred to below.

##### **4.1. Foredraft Street (Site 2)**

This Council owned site is the subject of a development brief approved in May 2010 and is soon to be marketed for residential development. The capital receipt is earmarked to undertake works to Foredraft Street itself, which is currently unmade, to bring it up to adoptable standards.

##### **4.2. 118-122 Windmill Hill (Site 3)**

Discussions have been proceeding with a developer who wishes to undertake retail led mixed use scheme. An Outline planning application was submitted in October 2010 and a verbal update on the progress of the determination of this

application will be provided at the meeting. The land occupied by the existing public car park is proposed to be included in the scheme, and the Council has now been formally approached to discuss a potential disposal.

#### 4.3. Providence Methodist Church (Site 1)

This site had been considered for the location of a LIFT scheme (a health led development) and replacement church facility. However after initial feasibility work it was not considered suitable due to its size and other limitations, being primarily topography and access. Discussions are now proceeding with representatives from the church with a view to potential redevelopment for social housing, incorporating a replacement church facility. The site could be suitable for an extra care development or development specifically for the elderly. There would however, be issues related to the loss of the historic church building that will need to be considered in line with the Council's planning policies.

#### 4.4. LIFT Scheme (Site 4)

NHS Dudley, the Primary Care Trust (PCT) has identified Cradley as a location for a LIFT scheme and although negotiations with the Methodist Church were not progressed due to the unsuitability of the site, the PCT currently remains committed to locating a scheme in the Cradley/Windmill Hill area. The only potential sites in the area are those already occupied but with redevelopment potential around the Toys Lane/Windmill Hill junction. These sites are predominantly in private ownership and have considerable issues to overcome. A proposal to use the site of the Labour Club with additional surrounding land was developed. However there are considerable acquisition and disturbance costs, as well as possible relocation requirements. It is unlikely that this would make a LIFT scheme viable.

5. The Regeneration Strategy was developed in 2007 through a substantial consultation exercise with local people, members and stakeholders. This process tested a number of options, with a number of radical approaches being proposed at an early stage and then rejected as a result of views expressed by those engaged in the public consultation. An expressed desire was to find solutions to the traffic issues that were pragmatic and not overly ambitious and encourage development that should respect the character of the centre and conserve key local buildings, and it is this approach which has led to the actions contained in the adopted Regeneration Strategy
6. However, since then, residents and Members have expressed concern about the speed of delivery of development activity and therefore a more radical approach is being considered. This approach has involved looking not only at the development sites identified in the Strategy, but also other sites that could help provide a solution to the traffic issues and create significant new development opportunities.
7. In addition, the Select Committee on Regeneration, Culture and Adult Education considered a report the 13th September 2010 on progress in the regeneration of the Borough's 16 local and district centres. As a result the Committee, keen to see a more radical approach to the regeneration of the centre, specifically requested a further detailed report on the Cradley/Windmill Hill local centre to include details of cost, viability and issues associated with a comprehensive redevelopment of the area between Beecher Road and Toys Lane, including highways improvements

and that this report be initially considered by the Cradley/Windmill Hill Working Group and the Area Committee. A verbal update will be provided at the meeting on the deliberations of the Working Group.

8. The exercise referred to in paragraph 7 has involved officers from highways, planning, urban design, regeneration and valuation to provide a broad overview of what might be achieved.

9. Highway issues

9.1 The A458 impacts significantly on the centre as it is a principal highway carrying all types of traffic between Stourbridge and Birmingham. Its impact is exacerbated in the local centre by its steep gradient, a narrow carriageway width, right turn movements into and out of side roads and private accesses. These movements and the gradient have also created an air pollution issue from standing traffic and traffic working harder to climb the gradient.

9.2 The main traffic issue is associated with congestion caused when vehicles attempt to turn right and are opposed by oncoming vehicles. Some minor improvements have been undertaken previously including the introduction of traffic signals at the Colley Gate/Colley Lane junction and the installation of a puffin controlled crossing at the Windmill Hill/Two Gates Lane junction to replace the previous pelican style.

9.3 However this has not solved all the problems and therefore to comply with the Select Committee request, an indicative/outline highway scheme ( a plan will be displayed at the meeting) has been prepared that addresses the key junctions which are at Maple Tree Lane, Toys Lane/Furlong Lane, Two Gates Lane, and Beecher Road. In order to facilitate traffic movement, the use of further signalisation particularly at the junction of Toys Lane/Furlong Lane, which would otherwise exacerbate air quality issues with standing traffic, has been avoided. This indicative scheme which assumes segregated right turning lanes at these key junctions and is accommodated by local widening of the existing highway, has been prepared as a 'desk top exercise' purely for the purposes of outline cost information. It has no formal status, has been through no approval process and would in itself require very significant land assembly which would mean that it would only take place as part of any redevelopment proposals. The estimated cost of the works without land acquisition is £2.51m.

9.4 The Toys Lane/Furlong Lane solution would effectively mean the demolition and redevelopment of a block of properties and would normally only be undertaken in conjunction with a private developer because of the high cost. This would however create a development site capable of accommodating a new mixed use retail/residential /employment scheme to replace the existing. Potentially a larger site (Site 5) could be created by the inclusion of the remaining land in the Toys Lane/Colley Orchard/Windmill Hill triangle.

9.5 The Two Gates Lane/Beecher Road/Highfield Road junction solution also requires the widening of the carriageway resulting in the demolition of properties fronting Windmill Hill. A development site (Site 6) would be created following the implementation of the improvements, for a possible mixed use retail/residential scheme which could link into the Foredraft Street site.

## 10. Air Quality Issues

10.1 Monitoring of air pollution in Dudley has indicated that concentrations of nitrogen dioxide exceed the government's annual mean objective value of  $40 \mu\text{g}/\text{m}^3$  at a number of areas across the borough including locations in Cradley.

10.2 The majority of the nitrogen dioxide arises from emissions from road traffic using the A458. The situation is exacerbated by the topography and the road layout as described in section 10.1 above. Vehicles give rise to greater levels of emissions when they are working harder such as going up hill and also emissions from queuing traffic are worse than from free flowing traffic.

10.3 Proposals for road schemes to improve traffic flow and alleviate queuing as discussed in sections 10.3 to 10.5 of this report would help to improve the air quality in the area however it is not possible to accurately estimate the level of improvement due to the number of unpredictable variants such as the volume of traffic turning right once motorists become aware that the manoeuvre is easier and the potential increase in traffic once it becomes known that the traffic is moving more freely on this section of the A458.

10.4 Using road schemes alone to improve air quality is not a solution as a variety of actions including improved traffic management need to be used in parallel. Encouraging use of public transport, awareness raising with schools and parents on ways to take children to school other than by car need to be addressed as the Council is doing through school travel plans. Collectively these approaches can make a significant impact on air quality.

10.5 The Council's air quality action plan sets out the actions the Council hope to take to address the Air Quality issues. For Cradley the action plan includes reference to possible improvements to road junctions and traffic signals (upgrade of the pedestrian crossing at the top of Windmill Hill is complete) and there are also general measures which will impact across the borough helping to reduce the  $\text{NO}_2$  levels.

10.6 There is no instant solution to the issue, but it is anticipated that a combination of the action plan measures and the general improvement in emissions from vehicles will control the air quality situation in Cradley and allow progress towards compliance with the national air quality objective for nitrogen dioxide at road side locations.

## 11. Implementation

11.1 The Council may use its compulsory purchase powers if it wishes to undertake projects and development that it considers have regeneration impact or for highway improvements, and has a good track record of using such powers where appropriate. However these are only used as a last resort when negotiation between a potential developer and a property owner has failed and also to support schemes that it feels have substantial benefits for the local community.

11.2 Without private sector partners this would of course require considerable financial resources on the Council's part, although the Council would benefit in due course from capital receipts from eventual land disposals. However, as the

table below demonstrates, there is a considerable gap between the potential acquisition costs and the value of the land to be disposed of.

Total acquisition costs of sites 1,4,5 & 6	£6.595 m
Projected disposal value of cleared sites	£0.987m

11.3 The above values take into account demolition costs, some notional disturbance costs but these could be greater, temporary relocation costs and the loss of land for the highway works. The figure also reflects current difficult market conditions for residential land and the specific values of this location. No funding currently exists and these values would make any acquisition by the Council unviable. In addition to the above costs there also the costs of the highway improvements of £2.51m (see para 10.3) which means that the whole project would have negative residual value due to the low land values and high development costs.

11.4 The land valuations indicated above are based on acquisition by negotiation. Any acquisitions by compulsory purchase would result in considerable additional cost to the Council and an additional delay of some 2-3 years in acquiring the land.

11.5 There are also Planning Policy issues to be addressed in the radical approach being considered, which may constrain some options. Major demolition of properties would need to be considered within the Council's Unitary Development Plan (UDP) policies on Urban Design and Historic Environment and similar policies in the Joint Core Strategy, which will become adopted in the New Year and emerging policies in the Development Strategy Development Plan Document (DPD). Redevelopment proposals will also need to address retail and employment policies where appropriate.

11.6 As reported to the Select Committee on Regeneration, Culture and Adult Education on the 13th September 2010 and Halesowen Area Committee on the 9th September 2010, the recession has had an inevitable and significant impact on development activity in all of the borough's centres. As a result, development reliant on private sector investment anticipated in adopted Regeneration Plans/Strategies has in a number of cases been delayed or cancelled.

11.7 Even during the times when the private sector was more willing to invest in development, local centres have not been able to attract the levels of investment that has happened in larger centres. Therefore in the current climate securing investment is even more of a challenge. The problems and issues of the local centres are ingrained and the sites difficult; were this not the case they would have been addressed by market forces by now. The role of Regeneration Plans/Strategies is to encourage development more rapidly than would happen if left purely to market forces. Many of the sites considered for development have low value and require high investment to solve long standing issues thereby giving poor or no return to the investor in the current market

11.8 In the absence of current private sector interest, the Council could use powers to acquire land and stimulate regeneration. However the current pressure on resources means that this is unlikely to be an option in the foreseeable future

given the figures indicated above. This shows that the radical approach is not viable if promoted by the Council or even the private sector and a piecemeal strategy, based on bringing forward small sites on an individual basis as the market improves, is most likely to be successful in securing long term regeneration of the centre.

11.9 Market confidence will return and private sector investment in the borough's local centres will be restored when there is greater access to funding and returns to investors improve. Strenuous efforts are being made to seek out potential developers who are prepared to carry out work either now or when market conditions improve. Liaison has taken place and is continuing with a number of landowners and developers who have expressed positive interest in carrying out development work. Members will be aware that due to commercial sensitivities, details of these may not be made public due to the adverse effect that this may have on proposals proceeding.

### **Finance**

12. Those activities detailed in the report which are delivered directly by the Council are funded within existing revenue and capital budgets. If the Council were to pursue land acquisitions either budgets would need to be identified within the Capital programme or through external funding. Alternatively the land acquisition could be undertaken as part of an agreement with a developer, with the Council using its powers and the developer underwriting the costs.

### **Law**

13. Section 2 of the Local Government Act 2000 enables the Council to do anything which it considers likely to achieve the promotion or improvement of the economic, social and environmental well being of its area.

### **Equality Impact**

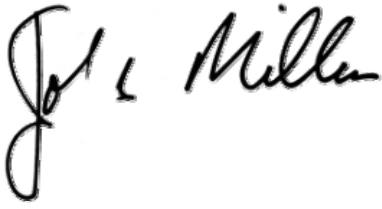
14. This work has been conducted in full accordance with the Council's equality and diversity policies and should in no way have any prejudicial impact on different racial groups, disabled people, both genders and/or other relevant groups. The needs of children and young people are considered in the planning process for centres.

### **Recommendation**

15. It is recommended that Committee:-

- a) Note the progress made in delivering the Regeneration Plan
- b) Support continued efforts to bring forward development sites with partner developers and landowners.
- c) Acknowledge the consultation which has taken place for the Air Quality Action Plan

d) Support the actions detailed in the Air Quality Action Plan designed to improve air quality within Dudley Metropolitan Borough for the future.



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### **List of Background Papers**

Cradley/Windmill Hill Local Centre Regeneration Plan (2007)  
Report to Select Committee for Regeneration, Culture and Adult Education -13<sup>th</sup>  
September 2010  
Report to Halesowen Area Committee – 9<sup>th</sup> September 2010