

BRADFORD CENTRE REGENERATION ANNUAL REPORT 2008-2009 for Homes & Communities Agency and Communities and Local Government

Date Established: September 2002
Core Partners: Bradford Metropolitan District Council (BMDC), Yorkshire Forward and the Homes and Communities Agency
Board members: 11
Chair: Michael Ziff
Chief Executive Officer: Maud Marshall
Staff Numbers: 10.6
Business Plan Period: 2008-11
URC Area (ha's) 200
Population: 7,805



General Overview

CBMDC confirms its ongoing commitment to the regeneration of the city centre, reaffirms the Masterplan as the key foundation for regeneration and recognises the achievements of Bradford Centre Regeneration which it established in February 2003 with Yorkshire Forward. In light of a changed economic and policy environment, however, the Council has initiated a review of the objectives, governance and implementation structures for city centre regeneration for the period 2010 to 2015 and will assume responsibility for its delivery. The Council sees the ongoing relationship of HCA to the city centre as fundamental in determining the city's future regeneration and success. The review will also inform the development of a transition plan for BCR which is due to cease as a company on 31 March 2010.

• Chief Executive's Review

The year to 31st March 2009 has witnessed a worsening economic climate which has had an inevitable and significant impact on development across the country. However, Bradford's market still offers a viable investment opportunity. Despite the challenges faced which no doubt will persist well into next year, projects continue to move forward, and these will place the city in a strong position at such time as the market starts to gain momentum once again.

BCR therefore recognises the need to continue to progress public sector-led schemes in the current climate. Notable activity has included:

- On Exchange Court, significant advancement both in terms of relationships with key partners including HMCS and on the siting, design and delivery of the new Court building.
- The City Park project forging ahead, with the final stages of detailed design and a defined programme and procurement strategy.
- The achievement of significant milestones and submission of a planning application for the New Victoria Place scheme.

Other noteworthy milestones have been:

- The completion of Eastbrook Hall – a project undertaken in partnership with the HCA, BMDC, YF and The Prince's Regeneration Trust, and opened by HRH The Prince of Wales on 24th November 2008.
- McAleer and Rushe achieving planning permission and making a start on site on their £50m office and hotel scheme at Southgate.
- Westfield holding a local leasing launch in October 2008 (following a national event held in London) and completing substantial preparatory works. They are maintaining their commitment to Bradford despite facing an increasingly difficult market which has prevented the scheme progressing any further in 2009.
- Detailed planning permission being granted for the Listerhills Sustainable Student Village, the first 'BREEAM Outstanding' student accommodation in the UK.
- The gathering of momentum of the World Mile, a project seeking to deliver a distinctive multi-cultural retail, leisure and commercial destination.

Area of Operation

• Strategic Framework Overview

BCR's area of operation is the four square kilometres of Bradford City Centre. Alsop Architects completed the masterplan in September 2003. The masterplan proposed utilising low land value areas in the city to create a new City Centre Park. At its core the plan is about investing in the public realm to change the city's fortunes, peoples' perceptions and investors' attitudes.

The masterplan vision has been translated into a comprehensive regeneration programme via four Neighbourhood Development Frameworks (NDFs). These NDFs will form the evidence base of the City Centre Area Action Plan, which will provide the statutory basis for their implementation under the new Local Development Framework. BCR has also facilitated a city centre design guide as a further part of the "design-led" regeneration approach.

Fit for Purpose Information

Key Aims and Objectives of the URC	How These Have Been Achieved (Progress to Date)
<ul style="list-style-type: none"> Transform the city-centre as the heart of a great northern destination. 	
<ul style="list-style-type: none"> Promote investor confidence. 	<ul style="list-style-type: none"> Since 2003: <ul style="list-style-type: none"> £180m has been invested in projects now completed. £441m of projects are now on site. £740m worth of projects have planning permission A further £314m of project investment is estimated in the pipeline.
<ul style="list-style-type: none"> Develop and diversify the economy of the city-centre. 	<ul style="list-style-type: none"> The programme is forecast to increase the rateable value of the city centre by £22m over the period to 2016, generating potential Local Authority Business Growth Incentive receipts of £2.5m to £3.5m p.a (Regeneris Consulting Limited).
<ul style="list-style-type: none"> Create employment opportunities for the people of Bradford. 	<ul style="list-style-type: none"> The programme could lead to the creation of the equivalent of between 12,000 and 17,000 permanent jobs in Bradford (largely in the city centre). This is equivalent to a 6% to 8% increase in the employment base of the whole of the local authority area (Regeneris Consulting Limited).
<ul style="list-style-type: none"> Improve transport, parking and linkages. 	<ul style="list-style-type: none"> Securing of s.106 contributions towards public transport e.g. Metrocards for residents, new 'real-time' bus stops. Promoting of extensive highway works associated with projects, e.g. closure of roads to facilitate City Park, new crossing to link City Park to New Victoria Place.
<ul style="list-style-type: none"> Act as an exemplar in creating a safe and enjoyable centre. 	<ul style="list-style-type: none"> Examples of how being achieved: <ul style="list-style-type: none"> Improvements to public realm increasing safety, e.g. new street lighting in Little Germany. Progression of City Centre Management Review with BMDC. Work with Bradford City Centre Residents Association. Detailed consideration of Management and Maintenance of city centre spaces, e.g. City Park.

Key projects within the strategic priorities

Project Name & Description	Current Position on Previous Milestones as at 31 st March 2009	Project Milestones 1 st April 2009 to 31 st March 2010
1. Business Forest Phase 1/ Exchange Court <ul style="list-style-type: none"> c.£200m and £37m of investment respectively. Replacement Magistrates and Coroners Courts. 27,870 sq m of Grade A office accommodation. 1,000 jobs created. 	<ul style="list-style-type: none"> Heads of Terms between the Bradford Parties and HMCS agreed. Bradford Parties progressing funding; working on/towards CPRG approval (Economic Trailing Paper produced). Commercial Strategy has confirmed that a Design and Build solution for the Court building would be the preferred option given the current market conditions, with a separate procurement process for the mixed-use elements when the market returns. 	<ul style="list-style-type: none"> Further to sign-off of Site Masterplan, the project architects and wider design team are working closely with HMCS on the new Court building. Commencement of Site Investigation works. Approval by CPRG. Preparation for procurement of contractor later on in 2010.

Project Name & Description	Current Position on Previous Milestones as at 31 st March 2009	Project Milestones 1 st April 2009 to 31 st March 2010
2. City Park <ul style="list-style-type: none"> • £24.5m of investment. • 10 acre outdoor space. • 135 jobs created. 	<ul style="list-style-type: none"> • Appointment of Project Managers. • Final stages of detailed design are underway, having moved the project on significantly since the lottery bid. • Tender documentation being prepared. • Contractors undertaking Site Investigation works. 	<ul style="list-style-type: none"> • Preparation of a full Cost Plan. • Assessment of commercial viability and future use of the buildings proposed within the City Park project boundary. • Review of management and maintenance costs following completions of Stage E design. • Start on site of construction works by March 2010.
3. New Victoria Place (Odeon Redevelopment) <ul style="list-style-type: none"> • £55m of investment. • 8,360 sq m premium office accommodation. • 100-bed hotel. • 180 apartments. • 750 jobs. 	<ul style="list-style-type: none"> • Planning submitted in October 2008. Determination period extended to Summer 2009. • Certificate of Immunity from Listing issued for the Odeon building by the Secretary of State. 	<ul style="list-style-type: none"> • Continuing progression of design development. • Achievement of planning permission in Summer 2009.
4. Retail Public Realm	<ul style="list-style-type: none"> • Darley Street project successfully delivered. 	<ul style="list-style-type: none"> • Completion of next phase of public realm works (Heritage Streets – Hustlergate/Tyrrel Street) in November 2009.
5. Broadway <ul style="list-style-type: none"> • £320m of investment. • 110 retail units. • 3,700 sq m office accommodation. 	<ul style="list-style-type: none"> • Westfield made announcement that start on site would not commence in 2009. 	<ul style="list-style-type: none"> • Bradford Parties to maintain dialogue with Westfield.
6. Channel Waterside Village	<ul style="list-style-type: none"> • Scheme on hold due to current market conditions. 	<ul style="list-style-type: none"> • BCR to maintain dialogue with land owner.
7. Eastbrook Hall <ul style="list-style-type: none"> • £12m of investment. • 750 sq m of commercial space. • 73 apartments. 	<ul style="list-style-type: none"> • Completion of the scheme. • Official opening on 24th November 2008 by HRH The Prince of Wales. 	<ul style="list-style-type: none"> • Achieved.
8. Learning Quarter Phase 1 <ul style="list-style-type: none"> • £40m of investment. • 1,000 units of student accommodation. 	<ul style="list-style-type: none"> • Scheme re-prioritised and is now a Catalytic Project. 	<ul style="list-style-type: none"> • Completion of Learning Quarter Design and Delivery Framework. • Start on site in Summer 2009 of the 'BREEAM Outstanding' Listerhills Sustainable Student Village.
9. World Mile <ul style="list-style-type: none"> • £100m of investment likely. 	<ul style="list-style-type: none"> • Scheme re-prioritised and is now a priority project. 	<ul style="list-style-type: none"> • Completion of Markets Design and Delivery Framework. • Traders Association now established. • Distinct branding has been developed.

Value For Money

Bradford Centre Regeneration was established as a response to the particular challenges facing the city centre, including an underperforming property market; competition from other centres; no substantial commercial core; a poor retail offer; and little or no speculative development. The broad objective the Company has been tasked with is therefore to create a prosperous and successful future for Bradford. The landscape of the city in 2003 was not one which was inviting to, nor prepared for, investment of any great measure from either the public or private sectors. The URC has promoted Bradford city centre in terms of priority in the District, clarified the role it should have, and pursued this with aplomb.

The role of the Company has therefore encompassed co-ordinating the physical regeneration of the city centre, achieved through the commissioning of the Alsop Masterplan and subsequent Neighbourhood Development Frameworks; raising private sector confidence and levels of investment which has been demonstrated by those projects outside of the URC's business plan which have been

successfully completed, are on site, or have achieved planning permission; and improving perceptions of Bradford which has been on-going since the launch of the marketing campaign. Now recognised as a Regional City in the Regional Spatial Strategy - BCR having given comprehensive economic evidence to support Bradford's position in the regional settlement hierarchy - the city is better positioned in the wider regional economy. It is also very much recognised as a place for investment by the private sector.

The successful regeneration of the city requires investment in residential, commercial, retail and leisure sectors, to provide high quality buildings and spaces for businesses, residents and visitors. This investment (much of it private sector-led) is becoming increasingly visible on the ground as Bradford is now five years into a 20 year regeneration programme. Significant momentum is evident across the programme, particularly on those 'transformational' projects, including Exchange Court, City Park and the associated Business Forest, which will create a development platform and re-form the Central Business District. The public sector must do all it can to forge ahead and continue to progress these projects so that the prosperous and successful future desired for Bradford is achieved.

The city is also demonstrating positive progress across those outcomes most appropriate for a city centre URC, verified by statistical information. Headlines include average house prices in the BCR area having increased significantly between 2004 and 2008, and although it is still some way below the regional average, this is due to the dominance of apartments and there being limited larger/family housing. The number of households in the BCR has also increased as residential schemes are completed and the city becomes more populated.

Between 2002 and 2008, the percentage of working age population employed has risen, and is now higher than both the regional and national averages. This in turn has had a positive impact in decreasing the percentage of working age population unemployed, which has fallen significantly.

Bradford is recognised for its entrepreneurial activity, and this is reflected in the number of businesses registering for VAT significantly exceeding both regional and national levels. There has also been a substantial increase in the amount of commercial floorspace built between 2002 and 2007.

Good News Opportunities For The Year Ahead

- Start on site of City Park.
- Build start on the Listerhills Sustainable Student Village.
- Planning consent achieved for New Victoria Place.
- Reaching Design Stage D+ and submission of the planning application for Exchange Court.

Links to Other Programmes

BCR works closely where appropriate with partners BMDC, Yorkshire Forward and the Homes and Communities Agency to support work on related masterplans in Bradford District, these being:

- Manningham;
- Airedale; and
- The Canal

Evaluation and Succession Planning

A Mid-Term Evaluation was carried out in 2008/09. The findings are informing consideration of the company's succession, which commenced in July 2008.

Direct Output	Lifetime	Achieved up to 31/3/09	% of lifetime outputs
Public Sector investment (£m)	113.8	29.0	22.7
Private Sector investment (£m)	979	98	10
Commercial Floor Space (sq m)	123,010	800	0.65
Jobs Created	4,969	0	0
Housing Units	725	73	10
Land brought back into use (ha)	6.4	0.278	4.3

Lifetime gearing 9:1

Brokered Output	Lifetime	Achieved up to 31/3/09	% of lifetime outputs
Public Sector investment (£m)	1.4	0.7	50
Private Sector investment (£m)	1,018.3	182.6	17.9
Commercial Floor Space (sq m)	119,160	3,014	1.4
Jobs Created	5,043	93	1.8
Housing Units	3,418	1,289	37.7
Land brought back into use (ha)	0	0	0

Finance

Income & Expenditure account for 1st April 2008 to 31st March 2009

	Budget Annual £000	Budget YTD £000	Actual YTD £000	Forecast Outturn £000	
Income/Funding					
EP	376	376	349	349	
RDA	376	376	364	364	
Council	376	376	364	364	
ERDF					
Other					
Total	1,128	1,128	1,077	1,077	
Expenditure					
Staff Costs	675	675	623	623	%Exp÷ Total EXP
Offices/Premises Costs	78	78	62	62	
Traveling/Transport	34	34	21	21	
Consultants PI/Proj	100	100	171	171	
PR/Marketing	89	89	83	83	
Other	152	152	117	117	
Surplus/(Deficit)	-	-	-	-	
Average No. of Staff					
	10.6				
Comments					