

Cabinet – 18th April 2007

Walsall Town Centre Office Corridor

Portfolio:	Regeneration and Enterprise
Service:	Regeneration Delivery and Development
Wards:	St Matthew's, Birchills/Leamore and Blakenall
Key decisions:	Yes
Forward plan:	Yes

Summary of report

One of the Council's priorities is to strengthen the local economy by diversifying the workforce and thereby increasing the proportion of the workforce employed in knowledge based growth sectors. The need to diversify the local economy has been recognised by the Black Country Study Phase 1 Review of the Regional Spatial Strategy, which suggests that approximately 8,000,000 sq ft of office space is required by 2021 within the Black Country. It states that such office space should be concentrated in the four strategic centres, which means a significant proportion would need to be provided in Walsall town centre. This strategic aim is supported by the Walsall Regeneration Company (WRC), which has included the establishment of an office corridor as one of the eight strategic priorities in its Prospectus for Growth. This was most recently recognised in a report to the WRC Board at its meeting on the 15th February 2007.

To deliver this project, an area of land either side of Littleton Street on the northern edge of the town centre has been identified as the key location for an office corridor (see attached plan). This area has considerable assets, including its proximity to the new College, infrastructure improvements provided through the TCTP scheme, the opportunity to provide a critical mass of sites close to the town centre, and the WRC's fibre optics project. The fibre optics project will, it is proposed, provide 21st century communication ability, thereby providing a unique selling point for high technology users to locate in Walsall.

The Council can guide development within the office corridor by controlling ownership of the land or through planning decisions. In this respect, the UDP is supportive of office development, but not exclusively so, and concern exists that a number of sites could be lost to uses which could generate a greater value than office use in the short term. However, given the new planning system, it could be some time before planning policy could be amended to fully protect the corridor. Therefore, it is considered essential that this Authority signals a "statement of intent" in relation to the identified office corridor. If this statement is supported by WRC, evidence of demand for office space, the emerging Regional Spatial Strategy, and a planning permission achieved through an outline

planning application for the office corridor (being led by the WRC), the Council should be able to resist alternative proposals. The Council and WRC will then be able to plan positively to encourage the delivery of office development.

Recommendations

Cabinet is recommended:

- (1) To agree the boundaries of the area to be defined as the office corridor as defined in Appendix 1.
- (2) To support a “statement of intent” that will wish to seek to deliver office developments, as a first priority over other uses on land that is identified as lying within the defined office corridor.
- (3) To support a programme of strategic acquisitions to expand the Council’s portfolio of land in the office corridor.

Resource and legal considerations

The diversification of the local employment base to more knowledge based industries is a key aim of this Authority, which accords with the aims of the Black Country Study and the WRC. In order to enable this, the establishment of an office corridor is one of the WRC’s strategic priorities. Ultimately, the delivery of the office corridor will meet the needs of business and enterprise in the 21st century. In an attempt to kick-start the project, the Council and WRC sought a development partner through the OJEU tendering process, based initially on the Business Campus site adjoining the new college. The response to the OJEU process did not produce the quality and quantity of submissions that had been expected, and it was decided that the Council should not proceed with the OJEU process at this stage.

One major developer which had been involved in preliminary discussions but which did not respond to the OJEU process stated the reasoning behind its decision. Firstly, there was not enough land readily available or in Council ownership (it considered that at least 400,000 sq ft of office space is required), and secondly, it perceived that the Council’s overall commitment to the project was uncertain. As a result, it is proposed that the project should be progressed through strategic acquisitions and the removal of such uncertainty by the making of a “statement of intent” which clarifies the Council’s position around the future development of the office corridor.

A sum of £1.635m is immediately available to clawback acquisitions in support of the office corridor (£1.5m from surplus City Challenge funding for the Town Wharf Development and £135,000 secured from Walsall College in connection with the impact of the spine road embankment on the Council’s land). To assist in the acquisitions process, valuation consultancy Lambert Smith Hampton has been appointed to advise on potential acquisitions that the Council may wish to pursue. Their subsequent redevelopment may culminate in capital receipts for the Council. These will be the subject of a further report. Further funding will be sought from AWM to deliver a wider acquisitions programme, and discussions are ongoing with AWM about its desire to consider strategic intervention.

Existing planning policy in both the Regional Spatial Strategy and the UDP identifies Walsall as a centre for office development. In order to meet the figure of 2,000,000 sq ft of office development suggested for the Black Country in the Regional Spatial Strategy Phase 1 Review (as presented to Cabinet at its meeting on the 28th February 2007), then a significant area of land needs to be identified to accommodate such development.

Littleton Street, with its improved infrastructure through the TCTP scheme, the new college and the fibre optics project, and a critical mass of available sites close to the town centre, appears the ideal location for the creation of such an office corridor. A “statement of intent” from Cabinet to pursue office schemes in favour of other uses in the corridor and its strategic acquisitions programme, will demonstrate the Council’s commitment to the project. Together with evidence of market interest in office development in Walsall (a piece of research has been commissioned), it will establish material considerations to guide the determination of an outline application for office uses. This application is expected to be submitted by WRC in the coming months, and it will assist the authority in resisting inappropriate development proposals.

Clearly, a project of such complexity will have direct resource and legal implications, both in terms of officer time and capital costs. The Council will use GOWM surplus monies and other external funding sources to support its acquisition programme, but any acquisition will also require the input of both internal and external valuation and legal advice. This external advice is supported through the Regenerating Walsall Prudential Budget.

Citizen impact

The delivery of an office corridor with high technology fibre optics will have a positive citizen impact. As well as establishing new high quality developments within the office corridor which the citizens of Walsall can be proud of, the office corridor will have a huge positive impact on the local economy by providing potentially thousands of knowledge based job opportunities. Furthermore, such developments can only assist in raising the pride and aspirations of the citizen’s of the Borough.

Community safety

An office corridor, which replaces under-utilised and sometimes derelict sites on the edge of the town centre with well designed schemes, will add to the impression of a town centre which is being revitalised. This will in turn reduce the opportunities for crime and have an overall positive impact on community safety. The office corridor will also become a natural extension to the town centre, increasing pedestrian flows along good, well-lit pedestrian links.

Environmental impact

The environmental impact delivered through the office corridor project will be very positive. A number of under utilised sites within the office corridor will be brought forward for redevelopment, and all will be expected to reflect the Council and WRC’s aspirations for high quality design. Such a scale of development, in conjunction with other recently approved or submitted major schemes, will signal a significant shift within the environment of the town centre. A regeneration scheme of the scale of the office corridor project will also involve landscaping and public art installations, will have the

potential to support new public transport services, and is also expected to provide additional parking facilities (some of which will be available to the general public). The location for the office corridor is also a sustainable town centre location, which is more accessible by a choice of means of transport compared to development elsewhere.

Performance and risk management issues

The office corridor is being established as a project within the Council's performance management framework. As such, milestones, timescales and risks have been identified, which will be managed through the performance review process. In terms of timescales, it is currently anticipated that the outline planning application will be considered before the end of the calendar year whilst the first round of strategic acquisitions will be completed by March 2008.

The submission of such an outline planning application will generate objections that will have to be considered as part of the planning process. Similarly, the Council's acquisitions programme may be impeded by unwilling sellers and could involve the need for compulsory purchase orders.

Equality implications

The delivery of an office corridor will provide job opportunities for many of Walsall's citizens. It is vital that parking and public transport facilities will make the office corridor, its new jobs and the rest of the town centre more accessible to all. In terms of the planning process, all citizens will be able to comment upon the outline office corridor planning application and all subsequent detailed submissions. In summary, a more prosperous and more attractive Walsall town centre will drive forward the economy of the Borough to the benefit of all members of the community.

Consultation

The office corridor has been widely publicised in WRC's Prospectus for Growth. The project was considered by joint Cabinet and WRC Board at its meeting on the 27th March 2007, and will be presented to WRC Board at its meeting on the 19th April 2007. As mentioned above, the outline planning application for the office corridor and all subsequent detailed planning applications will be the subject of formal consultation periods. If considered appropriate, the office corridor project could also be presented to meetings of appropriate Local Neighbourhood Partnerships.

Vision 2008

In terms of the Council's vision and priorities articulated in the 2006-7 Corporate Plan, the creation of an office corridor will encourage everyone to feel proud of Walsall and strengthen the local economy.

Background papers

None.

Author

Richard Chadwick
Principal Regeneration Officer
☎ 652576
✉ chadwickr@walsall.gov.uk



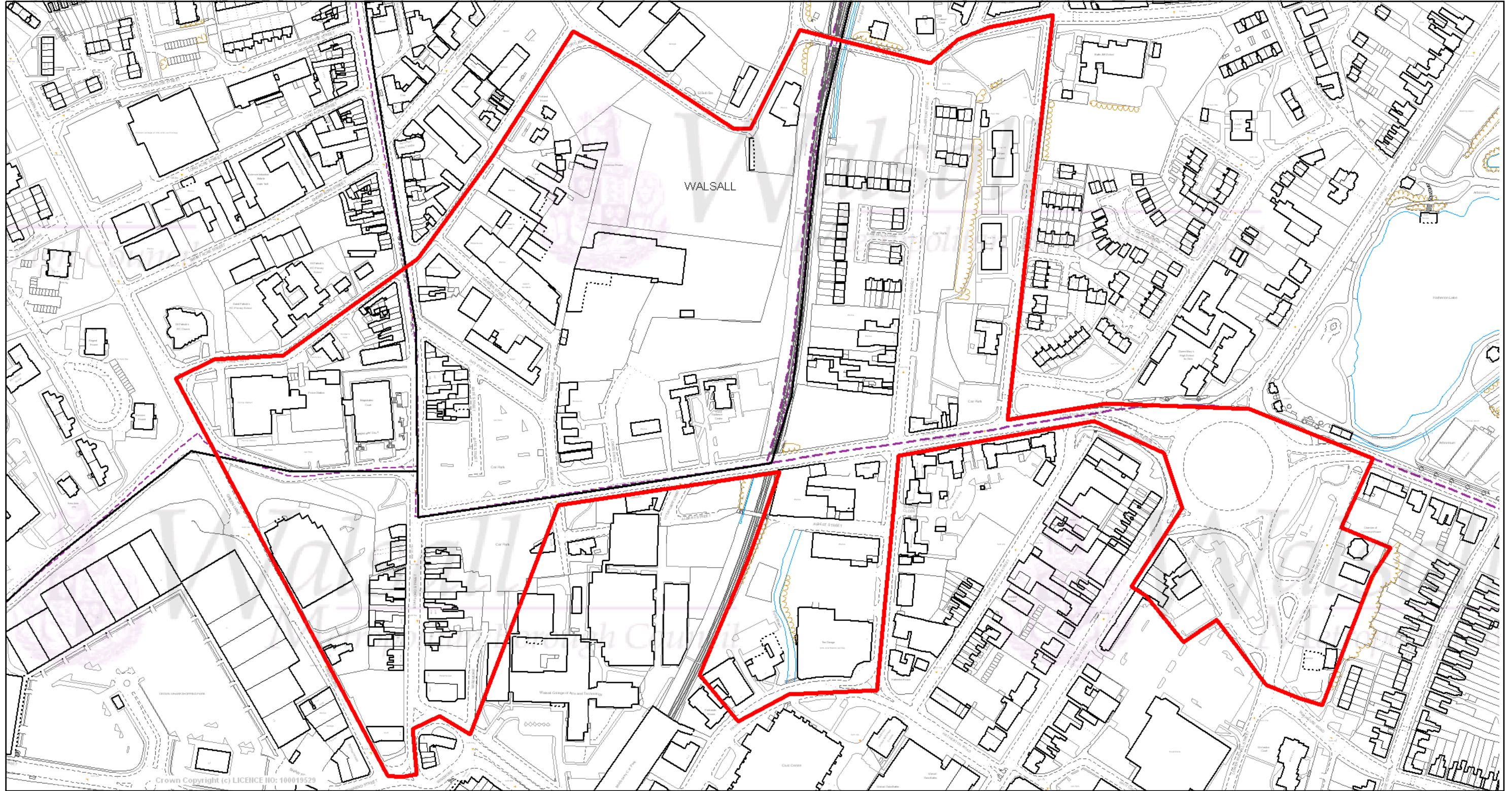
Tim Johnson
Executive Director for Regeneration

4 April 2007

Councillor Adrian Andrew
Regeneration and Enterprise Portfolio holder

4 April 2007

Walsall Office Quarter - Proposed Boundary



Crown Copyright (c) LICENCE NO: 100019529



Walsall Council

Scale 1/3000

Date 27/2/2007

Centre = 401368 E 299026 N

Reproduced from the Ordnance Survey mapping with the permission of Her Majesty's Stationery Office. Crown Copyright Reserved. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings. LICENCE NO: 100019529