4 Framework for intervention

In which we draw conclusions from our work and develop a strategy for the transformation of the housing market.

In the first part of this report we reviewed the research undertaken as part of the study into Inner Rochdale as a whole and the five neighbourhoods individually. In this section we develop this work into a strategic framework for the five neighbourhoods. This informed the design work undertaken in the four neighbourhoods to create masterplans for the second wave HMR areas.

Our aim has been to put into action the key themes set out in the Housing Market Renewal prospectus. This sees Housing Market Renewal as a unique opportunity to undertake radical and sustained action to remodel urban neighbourhoods and create thriving, inclusive and sustainable communities in Inner Rochdale. The prospectus develops this overarching aim into four themes:

- **Improving Property Values** by increasing land availability and the confidence of developers looking to invest in the area in order to increase the proportion of privately-owned properties;
- **Reducing turnover** by demolishing unwanted properties and improving the range and mix of housing to buy or rent to meet modern needs;
- **Improving Satisfaction** with neighbourhoods by building new homes and improving retained properties, the quality of the environment, reducing crime and managing services more effectively
- **Reducing Segregation** by supporting communities moving into new

This is a unique opportunity to bring about radical and sustained change to remodel inner Rochdale and create thriving, inclusive and sustainable communities

areas and developing new high-quality housing in central locations that will attract purchasers from wider social backgrounds.

The prospectus included an important commitment to achieving these goals through high-quality urban development as set out in the Shillam and Smith Masterplan for East Central Rochdale. From our detailed work on the four neighbourhoods covered by this report, the above principles and the commitment of high quality urban design remain as applicable today as they did in 2003. However there have been changes in the area and our approach to Housing Market Renewal needs to evolve accordingly. In the following sections we therefore start by drawing conclusions from our work, before developing a series of themes for the regeneration of the area as the basis for a strategy for bringing about the transformation of the housing market and as a basis for the illustrative plans for each of the neighbourhoods.

4.1 A recovering housing market

In the first part of this report we reviewed the issues facing the five neighbourhoods. In this section we draw a series of conclusions from this work as the basis for the strategic framework.

The most important of these conclusions relates to the housing stock of the neighbourhoods, its condition, occupancy and the demand for private and rented accommodation. The initial selection of areas to be targeted for Housing Market Renewal was based on an analysis of districts where a quarter of all house sales in 2003 were for values less than £30,000. This net caught a range of different areas.

In Manchester and Salford neighbourhoods such as Beswick and Langworthy were undergoing catastrophic housing market collapse. In East Lancashire and North Staffordshire fundamental economic restructuring was causing the depopulation and abandonment of unpopular housing areas. Neither of these scenarios apply to Oldham and Rochdale. The terraced housing in the Oldham, Rochdale Pathfinder fell within the HMR criteria not because it had fallen dramatically in value but because these had always been low value housing markets. In seeking to understand the reasons for this chronic housing market weakness it is useful to use the conditions for housing market decline suggested in the North Staffordshire HMR Pathfinder. These suggested that weak housing markets were created by a combination of three factors:

1. **Declining Population:** In areas that are losing population an oversupply of housing can cause the least popular stock to become empty.

2. **Poor image:** Areas that have become negatively stigmatised will find it difficult to attract people and retain those with a choice over where they live.

3. **Obsolete housing stock:** Areas where the housing stock is in a poor condition. Victorian terraces are particularly vulnerable because they were often built poorly and owned by people with limited resources for maintainance.

The suggestion is that one of these factors will not cause major problems, two will cause housing market weakness while all three will lead to housing market collapse. In London, for example, there are many areas with a poor image and obsolete stock but the shortage of housing means that the stock remains in demand. Similarly in many parts of East Lancashire there is a falling population and obsolete terraces but the appeal of the areas mean that people continue to invest in the stock. It is therefore worth assessing these factors in inner Rochdale.

Population Loss: The first point, as we have seen, is that the population is not falling. The population of the borough as a whole is growing by around 2% and the number of households is growing by more than 6%. The household growth in the five neighbourhoods is lower although people moving out of the area are being replaced by international inward

A combination of factors means that one would expect the housing market to be weak. However the market has in fact been buoyant the last two years.

migration and internal growth particularly within the Asian community. As a result there is no population loss in the neighbourhoods and no reason for an over supply of housing.

Image: Parts of the area suffers from a poor image. Our consultations suggest that this applies to the Falinge and Freehold Flats, Sparth, much of Milkstone and Deeplish, the central and western parts of Newbold and the whole of Kirkholt. This stigma is often no longer deserved since there have been substantial improvements in many of the areas in recent years. However a poor image is difficult to shake-off making it difficult to attract people to live locally. This has been overcome in the council flats through the placement of asylum seekers.

However through the operation of the housing market and the allocation systems for social housing, areas with a poor image find it difficult to attract outsiders and must rely on internal demand to keep housing occupied.

Obsolescence: It is clear that obsolescence is a problem in parts of the housing stock. This is not the case with the social housing areas. However it is widespread in the Victorian terraced housing. This problem is concentrated in Sparth and Milkstone and Deeplish where 28.69% and 18.1% of the stock respectively is unfit or defective. By contrast in Spotland and Falinge, despite a similar proportion of terraces, the proportion of unfit and defective property is just 7.8%.

A combination of these factors means that one would expect the housing market to be weak but not in collapse. However the market has in fact been buoyant the last two years. Average housing values are now £66,000 and the stock most likely to experience demand problems – the terraces – have increased the most rapidly. Terrace housing rose in value by 20.3% in 2003 and 43.2% in 2004. This was admittedly from a low base and it is still the case that in Sparth 30-40% of sales are still below £30,000 and in Milkstone and Deeplish and Spotland and Falinge 20-30% of sales are below £30,000. There are therefore parts of the area that still fall within the original criteria for Housing Market Renewal. However even where the housing market has improved the housing stock continues to experience severe problems outlined on the following page.

4.2 Problems with the housing stock

While the housing market of the five neighbourhoods may have picked up there remain major structural problems in the housing stock that need to be overcome if the neighbourhoods are to have a long-term future.

From our analysis we would characterise the housing position in the five neighbourhoods as follows:

- **Patchy recovery:** While average values have improved there are still severe market weaknesses in Sparth and parts of Milkstone and Deeplish.
- **Internal demand:** Recent price rises are the result of internal demand rather than external speculation as has happened in other HMR areas.
- **Local landlords:** There has been a growth in private renting, however this is mostly small and local landlords, often renting out property that they used to occupy. Private landlords are not therefore the problem that they are in other HMR areas.
- **Low incomes:** 36.4% of households earn less that £15,000 per year so that owner-occupiers may be equity rich but are cash poor and cannot afford to invest in their homes.
- **Deteriorating housing conditions:** As a result the stock is deteriorating. Overall 15.64% of the housing is 'unfit' or 'defective'. This is concentrated in the private sector and predominantly in Sparth, Milkstone and Deeplish.
- **No abandonment:** There is very little empty property. The highest vacancy rate is in Milkstone and Deeplish where 7.25% of property has been vacant for 6 months or more. This is well below a vacancy level likely to trigger abandonment.
- **Overcrowding:** Indeed much of the area suffers from the opposite problem, namely overcrowding. Overall 13.16% of property is overcrowded and this rises to 20% in Sparth and Milkstone and Deeplish.
- **Strong Asian communities:** This is due partly to the growth of Asian communities unwilling to move out of their neighbourhoods. This is partly due to the strength of local communities and partly due to concerns about Asian families moving into white areas – although

	Spotland & Falinge	Sparth	Milkstone & Deeplish	Newbold
Population	6,765	761	7,490	6,891
Households	3,097	305	2,413	2,983
% Asian	30.3%	45.3%	65%	21%
Terraces	51.3%	90%	45.7%	47%
Unfit	7.8%	28.69%	18.1%	8.8%
Overcrowded	14.5%	20%	20%	11.2%
Void	2.98%	5.24%	7.25%	4.45%

this is much less of an issue than in Oldham.

- **Healthy demand for social housing:** In the social housing parts of Newbold voids rates are lower still and overcrowding is not an issue. However these areas continue to have a significant turnover of property (up to 15% annually) and have weaker communities. They are nevertheless able to attract new tenants with the exception of the one-bed flats in both areas that are suffering demand problems.

From this analysis we would suggest that the housing position in the five neighbourhoods falls broadly into two types:

The private housing areas of Sparth, Milkstone and Deeplish, the western parts of Newbold and parts of Spotland and Whitworth. These areas have strong Asian communities that are generating internal demand for housing which people are unable or unwilling to satisfy by spreading into surrounding areas. This is driving up prices and leading to overcrowding. Low incomes are leading to under-investment in the housing stock which is, as a result, deteriorating. A significant number of households are living in overcrowded conditions in poor quality housing. Without intervention the stock will deteriorate further. However the increase in values and the high level of occupation is likely to make clearance very difficult so that other strategies are called for.

Strong Asian communities are generating internal demand for housing which they are unable to satisfy by spreading to surrounding areas. This is driving up prices and leading to overcrowding.

The situation with the social housing stock of Newbold and the Falinge and Freehold flats is quite different. Newbold is a largly white communities although the flats are some of the most multi-cultural parts of the town. All of these areas have low levels of voids but relatively high levels of turnover. The condition of the housing stock is good and the ALMO is well on course to meet the Decent Homes Standard. The main demand problems relate to one bed flats in Newbold. The issues facing these areas are similar to social housing areas in other towns; a poor image and a reputation for crime and anti-social behavior has led to the areas becoming social housing ghettos. There is a strong core to the communuity but also a transient population of people in great need with few choices over where they live. Rising house prices means that there is a strong demand for social housing in these areas at present, but experience elsewhere (such as the East End of Newcastle, Bradford and Barnsley) show that these areas can be vulnerable to a collapse in demand if the balance between the existing and the transient community is tipped too far. What is needed is a greater variety of housing in these areas and better linkages with surrounding neighbourhoods to overcome their isolation.

4.3 Regeneration principles

The weakness and problems of the housing stock set out in the last section require concerted action. We have therefore developed a set of principles to guide regeneration in all the neighbourhoods.

The regeneration of the five neighbourhoods is an opportunity that must follow the principles set out in the Borough Renaissance Masterplan. This is based around the seven themes including; sustainable neighbourhoods, 21st century employment, thriving town centres, making the most of the borough's environmental assets, improving gateways and growth corridors, promoting integrated transport and improving the quality of design. A number of these themes relate to the regeneration of the inner Rochdale neighbourhoods:

Sustainable Neighbourhoods: The idea of creating sustainable urban neighbourhoods is at the heart of this strategy. This means the creation of places where people choose to live and work and relates to the quality of the environment and the housing stock as well as the range of shops, community facilities and open spaces in the neighbourhood. It also has a physical dimensions - neighbourhoods which have a distinctive identity, a positive image and a strong heart often based around a high street. The first principle is therefore:

We should create a series of distinctive neighbourhoods with strong local character and a range of facilities and open spaces.

Connections and linkages: Neighbourhoods that are cut off from their surroundings rarely thrive. This is a problem in Kirkholt, Sparth and parts of Newbold. Neighbourhoods thrive when people passing using a variety of transport means to support local shops and facilities. The second principle is therefore:

We should exploit the historic structure of high streets and create new connections so that all of the neighbourhoods are linked to each other and the town centre.

21st century employment: Left to its own devices the economic and employment base of the borough will decline. The development of Kingsway and the growth corridors identified by EDAW are vital in creating higher skilled, higher paid jobs. Inner Rochdale must respond to this by assisting local people in getting these jobs and allowing higher paid people to meet their economic aspirations in the area. At the same time there is a need to protect existing employment while managing a process over time that sees a rationalisation of declining industrial areas. This will involve the transformation of some low-density employment areas into high-density mixed-use areas, particularly around the station and along the canal. The third principle is therefore:

The framework should plan for the economic restructuring of the town by identifying employment areas to be consolidated and others that can be redeveloped.

Building local communities: The

> The idea of creating sustainable urban neighbourhoods is at the heart of this strategy.

existing population of the HMR neighbourhoods form strong communities and are the area's greatest asset. These people should be encouraged to stay in the neighbourhoods by dealing with their social and economic needs (already being addressed by the Neighbourhood Action Plans) and broadening their range of housing options. This means accommodating the growth of the Asian community (projected to grow from 11 to 15% of the borough's population by 2020). This is likely to be concentrated in the HMR areas where it can drive demand for housing and can be accommodated by developing to higher densities and by encouraging the community to spread into surrounding areas. The fourth principle is therefore:

Renewal should be built on the existing community who should be encouraged to stay in the area throughout the process.

Encouraging newcomers: The five neighbourhoods should be seen as locations where people moving in to the town would want to live. This might include people working in Kingsway, the town centre or even commuting in by train or Metrolink. Elsewhere in North Manchester these trends are leading to an increase in urban apartments, something that has not yet happened in Rochdale. However there is real potential around the station and elsewhere there is potential for a broader range of private housing particularly in the social housing areas. The fifth principle is therefore:

We should develop new markets for aspirational private housing that can attract new buyers into the neighbourhoods.

Broadening the range of housing: This strategy means that we must increase housing choice in the area. At present the housing stock in much of the area is dominated by Victorian terraces. The increased choice needs to include larger houses to overcome the problems of overcrowding. However it may also include flats and apartments to accommodate incomers as well as allowing members of extended families to meet their individual housing needs without moving away from the neighbourhood. It will include houses with gardens as well as larger houses with limited external space as identified in the East Central Rochdale Masterplan. The sixth principle is therefore:

We should identify significant redevelopment areas for a range of new-build housing.

A new future for the terraces: There are 5000 terraced properties in the five neighbourhoods of which less than 800 are unfit or defective. It is therefore not tenable that the terraces will be cleared and it is vital that the very real problems that affect this housing are addressed. In practical terms this means mechanisms to invest in the stock. However in the longer term it may mean marketing the terraces to a different market such as first time buyers and key workers. The seventh principle is therefore:

A strategy should be developed for a sustainable future for the terraces by investing in the homes and marketing them to smaller households.

Local control: One of the fundamental principles of neighbourhood renewal is the involvement of local people so that they can guide and take ownership of the process. This has guided this study and will form the core of the area masterplans. It should also be reflected in implementation mechanisms that take the startegy forward. The final principle is therefore:

Local communities should be closely involved in the development, shaping and implementation of proposals and should have a stake in the long-term future of the areas.

4.4 Regeneration Strategy

We have developed these principles into a regeneration strategy and illustrative plans for four of the five neighbourhoods. This is based on the permanent transformation of the housing market in the area while recognising the difficulty of large-scale clearance and the importance of existing communities.

As we have indicated the housing market in much of the study area has improved in the last two years and the problems of low values are now confined to parts of Sparth and Milkstone and Deeplish. However we have also concluded that low wage levels means that the private stock is not being maintained and suffers from unacceptably high levels of overcrowding. This situation will deteriorate if not addressed. We have further concluded that the social housing areas suffer from stigmatisation and while they are currently experiencing good levels of demand this could change if the wider housing market weakens.

The approach to these issues in many Housing Market Renewal areas has been to identify the worst of the stock for demolition to provide an opportunity for new housing development together with public realm improvements and investment in the condition of the remaining terraces. However this is not possible in the five neighbourhoods because of the value of the property and the level of occupancy. Unlike other HMR areas where high levels of vacancy and low values have allowed widespread clearance, in Rochdale the housing values mean that widespread acquisitions are just not fundable.

> Widespread demolition is not possible in the five neighbourhoods because of the value of the property and the level of occupancy

We are therefore proposing a strategy that creates opportunities for new-build in areas which do not require the demolition of existing properties. This will allow sites to be marketed to developers for new-build housing while the existing community remain in their current homes. When the new housing is complete, the strategy envisages a package of assistance and equity share being available to encourage households to move out of the terraces and into the new housing. This would be linked to a fund to acquire the vacated terraces which would then be restructured either through refurbishment and marketing at different households or through demolition. This would happen alongside a set of initiatives to address the issues of social housing areas, creating three strands to the strategy:

- Comprehensive development areas
- Reinvented terraces zones
- Renewed social housing areas

The spatial consequences of this strategy are set out in the following section. However we first outline each of the three strategies.

4.4a Comprehensive development areas

The starting point for the strategy is to create a series of opportunities for new-build housing that are achievable and which do not rely on the clearance of existing communities. Once done this allows a series of moves to be made that will allow the problems of the neighbourhoods to be addressed without harming existing communities.

We have therefore identified areas where we can create opportunities for new-build housing. These are areas that do not require widespread demolition of existing housing which has inevitably caused us to explore employment areas.

The justification for this is that the economy of the borough is changing. At present there are quite extensive areas of relatively low density industrial units and workshops along the river and the canal. Within these areas are many viable and valuable businesses and it is not proposed that these should be extinguished. However future employment growth will not come from these industries but from areas like the town centre and Kingsway.

We have therefore identified three areas for redevelopment: The northern part of the riverside in Sparth; The area on either side of Oldham Road between Milkstone and Newbold and the area to the east of the Falinge flats.

In each of these areas we are proposing that land be assembled through a programme of land aquisition and industrial re-location. To this end we have proposed that the southern part of Sparth and Mandale Park become an employment zone served by a new road access.

As part of the study illustrative plans have been undertaken for each of these area to identify development opportunities as illustrated in Appendices 1-5. These illustrative plans create development opportunities covering around 20 ha. The plans suggest the development on these areas in 3 phase, years 1-5, years 5-15 and future opportunities beyond the life of HMR. These phases produce the following site yields:

Sparth
Phase 1: 204 homes
Phase 2: 25-50 homes
Phase 3: 210 homes

Oldham Road
Phase 1: 740 homes
Phase 2: 726 homes
Phase 3: 150 homes

Falinge
Phase 1: 223 homes
Phase 2: 198 homes
Phase 3: 208 homes

These new homes will be designed in consultation with the residents of the surrounding areas. They would be targeted at meeting the needs of this community as well as meeting the aspirations of more affluent households who might be attracted to Rochdale. In this way they would broaden the housing choice in the area as well as reviving the market.

The new build areas could accommodate around 2,700 new homes of which 1177 could be Phase 1.

4.4b Restructuring the terraces

Alongside the comprenensive development areas we, together with GVA Grimley have identified a number of terraced neighbourhoods that would be targeted for restructuring. Following the completion of the new housing these areas would be assessed for redevelopment or refurbishment.

The residents of these terraced areas would be consulted on the development of new housing in the comprehensive development areas. On completion of the new homes they would be offered a package of incentives to purchase a new home. This could include part-exchange linked to equity sharing so that their vacated terrace would pass into 'public' ownership.

This process will impact on the market for the Victorian terraces. Indeed the development of affordable new-build housing is seen by many as one of the original reasons for housing market weakness. However the proposal here is to manage this process with a package of measures to restructure the terraced housing market. These measures will include:

If there is no demand for the terraced property, acquisitions would be consolidated to create further opportunities for redevelopment

Acquisition strategy: Intervention in the terraced areas will in part be opportunistic in that it will depend on which properties come into public ownership through the part-exchange process. In addition to this we suggest the council will continue to acquire properties that become vacant. This would initially target the 470 vacant properties in the area. Having acquired the property there would be a need for a triage system by which the property is assessed for demolition, refurbishment for short term letting (to allow more radical action in the future) or refurbishment for sale. This process could be undertaken through a housing association on a Community Land Trust (see below).

Partial demolition: If there is no demand for the terraced property the acquisitions and part-exchanges would be consolidated to create a further opportunity for redevelopment. This is likely to be the case in Sparth but is not possible to be specific about this at this stage because market conditions may change over time.

In making assumptions about the scale of intervention we have therefore assumed two scenarios. The first is based on an assumption that the market for terraces will fall allowing a wider acquisition strategy. The other scenario assumes a healthy housing market and an acquisition strategy based on the current numbers of unfit and vacant property. The first scenario we have assumed the demolition of 15% of the property in Spotland and Falinge, 100% in lower Sparth and 30% in Milkstone

and Deeplish. This would mean just under 882 demolitions. In the second scenario assumed the demolition of 7.5% of the property in Spotland and Falinge, 33% in Sparth and 20% in Milkstone and Deeplish. This would mean just under 461 demolitions. These areas would be packaged up for new build-development as described on the previous page.

Repositioning for new markets: In some areas there would be value in remodelling terraces for different types of buyer. This is being done in by Urban Splash in Langworthy in Salford. They are looking at the remodelling of terraced property to create accommodation that has the appeal of loft apartments with a view to marketing them to first time buyers and young people. URBED has also explored this for the East Lancs Pathfinder. This would be appropriate for small areas, linked to the town centre. The costs of doing this would be similar to the cost of new build and for the sake of the business plan it has therefore been assumed that these figures will be included in the demolition figures above. Experience elsewhere suggests that this option is currently expensive and further work will be required on value for money.

Investment in the stock: It is possible that investment in new housing, far from undermining the terraces, will stimulate the entire housing market creating an ongoing market for the terraces. If this is the case there will be a need to provide assistance with upgrading the poorest stock which we believe is best done through the Equity Loan scheme. We have assumed that this would be required by a third of the properties remaining after the demolitions in each of the two scenarios. This would therefore involve the refurbishment of 766 in Scenario 1 and 924 properties in Scenario 2. This would be funded through the use of HRM funds to provide equity loans.

Key to the renewal of the retained terraced areas will be the creation of a public realm of comparable quality to the new-build areas

Neighbourhood strengthening: Key to the renewal of these retained terraced areas will be the creation of a public realm of comparable quality to the new build areas. There are examples in Deeplish of streets improved 20 years ago with a high quality public realm treatment that are still successful today. More recently the home zone treatment of Northmoor in Longsite has provided a powerful example of how public realm improvements together with selected intervention can transform the market for a terraced housing area. The strategy would therefore target comprehensive improvements to the key areas in each local neighbourhood to be the focus for public realm improvements, open space provision, home zones, lighting and infill development.

4.4c Renewed social housing areas

The third leg the strategy relates to the areas that are predominantly social housing. These have very different problems to the terraced housing areas. This is less to do with the condition of the stock than the image of the area.

As we have described, the problems facing Falinge and Newbold are very different to those of the teraced housing areas. The social housing landlords including Rochdale Borough Homes and the RSL have been effective in maintaining the property which is generally in a very good condition. The rising values in the private housing market have also meant that there is strong demand for social housing and voids levels are very low.

These areas do however have a range of severe problems. Indeed in our consultations they were seen as having greater problems than the teraced housing areas. This relates to historic stigma that means that people outside the areas (including bus and taxi drivers) fear to go in. Despite the sale of a significant number of properties through Right-to-Buy, they therefore retain the image of social housing ghettos. Specifically the problems are:

> In our consultations the council estates were seen as having greater problems than the terraced areas

- Low demand for certain house-types - such as small flats, despite high levels of overall demand. This relates to the Guinness flats in Newbold.
- Struggling shops forced to charge high prices becauase of their limited catchment market. This is true to an extent of the Milnrow Road shops in Newbold.
- Isolation due to road layouts that mean that nobody outside the area will venture in. This relates to the overall layout of Kirkholt, however it is at its most severe due to the inpenetrable highway works in central Newbold.
- Lack of visible tenure diversity. There are more than 500 RtBs in Kirkholt and quite extensive areas of private housing in Newbold. However, whilst increasingly popular they are still seen as social housing ‘estates’
- This relates to their rather drab appearance. Despite quite extensive greenery they appear soulless.

We are therefore proposing a programme to renew Newbold and would advise this strategy is echoed in Kirkholt. This is based on initial surgery to remove the parts of the area that are not working. In Newbold’s case this corresponds with the intentions of the Guinness Trust to redevelop the flats in Milnrow Road which

could involve the demolition of around 200 properties and create a site for around 150 units.

As part of the Spotland and Falinge Charrette we also explored the transformation of the Falinge Flats linked to the adjacent comprehensive development area. This involves new housing around the edge of the estate, a series of new routes through the area and the definition of clear areas of public and private realm.

These areas would be redeveloped through a partnership between RBH, the Guinness Trust and private development partners. In both cases the aim would be to create a new mixed tenure heart of the neighbourhood with private housing and new shops and facilities. The mechanism for doing this would be similar to that described for the comprehensive development areas. The newbuild would be designed in consultation with the surrounding communities and local people would be assisted by the Home-Buy programme to purchase if they wished.

This would be linked to a programme of public realm improvements throughout the estate. It is unlikely that resources will allow the total renewal of these areas and the quality of the public realm means that this is not in any case necessary. However it is important to develop a public real strategy including the following:

> The strategy is based on initial surgery to remove the parts of the estates that are not working to create an opportunity for change

- A road network that prevents speeding and joy-riding through traffic restraint (such as home zones) rather than by isolating the estate from the outside world.
- A hierarchy of open spaces and play areas that are sufficient for the needs of the community and that are well designed and maintained.
- A programme of tree planting and lighting improvements throughout the area.

4.5 Ownership and control

We see a central part of the strategy being a mechanism that involves community control and can recycle Housing Market Renewal resources as the basis for the long term implementation of this strategy.

This strategy will require significant levels of resource and will be implemented over a number of years. It is therefore important to explore ways of using Housing Market Renewal funds effectively over an extended period. There is therefore an important role for the equity-release programmes being developed by the Pathfinder.

These schemes are currently being established with West Pennine Housing Association under the names Home-Improve and Home-Buy. They will help to establish an intermediary housing market in which households without the means to buy a new home that meets their needs or alternatively to invest in their existing home, can exchange equity for investment.

In this way people looking to move out of a terrace into a new home would use their resources to purchase the majority of the property while an equity fund would provide the remainder in return for a percentage stake in the property. Similarly a household could be provided with money to undertake repair and improvements to their existing home in return for a similar equity stake. This stake would only be refundable on the sale of the property at which point it can be recycled into other property.

> The body that holds this equity could become a powerful, self funded force for the ongoing regeneration of the area

Work by URBED for the Cooperative Bank has shown that a system such as this could allow each HMR pound to be used 2-3 times over a 15 year period multiplying the value of the investment.

The body that holds this equity will become a powerful, self- funded force for the ongoing regeneration of the area. This, we suggest, should be constituted as a Community Land Trust. This would be a community-owned mutual body capitalised by the equity held in the properties that it has lent to, and funded by the equity passed back when property is sold. It would be pump-primed by HMR resources and would be the vehicle for investment in the stock, for the acquisition and assembly strategy as well as facilitating the part-exchange process with developers.

It would also be able to reinvest surpluses in the social infrastructure of the area to ensure that physical regeneration took place alongside community building. It would be community controlled through its ownership by the people in whom it had invested equity. This would give local people a stake in the process and allowing them to benefit collectively from the rising housing market in the area.

5. Spatial framework

In which we draw conclusions from our work and develop a strategy for the transformation of the housing market.

The strategy set out in the previous section has been developed into a spatial strategy for the four neighbourhoods. This uses the potential for intervention afforded by the three types of intervention area: comprehensive development, restructured terraces and renewed council areas to reshape the spatial structure of the the area.

In the following section we delineate the extent of each of these areas. We then describe the illustrative planning work that has been done in each of the five neighbourhoods with the community and the way that they fit together to create a spatial framework for the whole of inner Rochdale.

5.1 Intervention areas

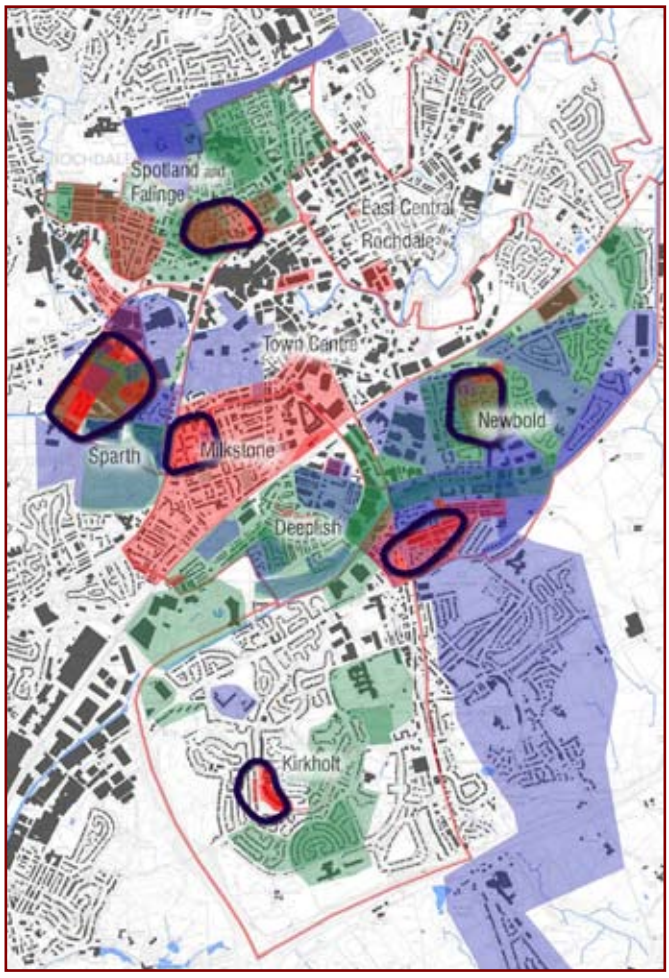
The starting point for the spatial planning process was a hard and soft exercise that identified the areas where change should happen.

The hard and soft exercise was undertaken initially at a workshop in October 2004 and subsequently on the first bus consultation exercise. This asked people to indicate 'hard' areas where nothing should happen (blue on the plans), 'improvement' areas (green) where change is required but not demolition and 'soft' areas (red) where redevelopment is either possible or desirable. The plan below shows the results of the October workshop and is therefore the view of a mixed group of people including officers, stakeholders and residents. The plan to the right shows the same exercise undertaken on the bus and is therefore the view entirely of residents.

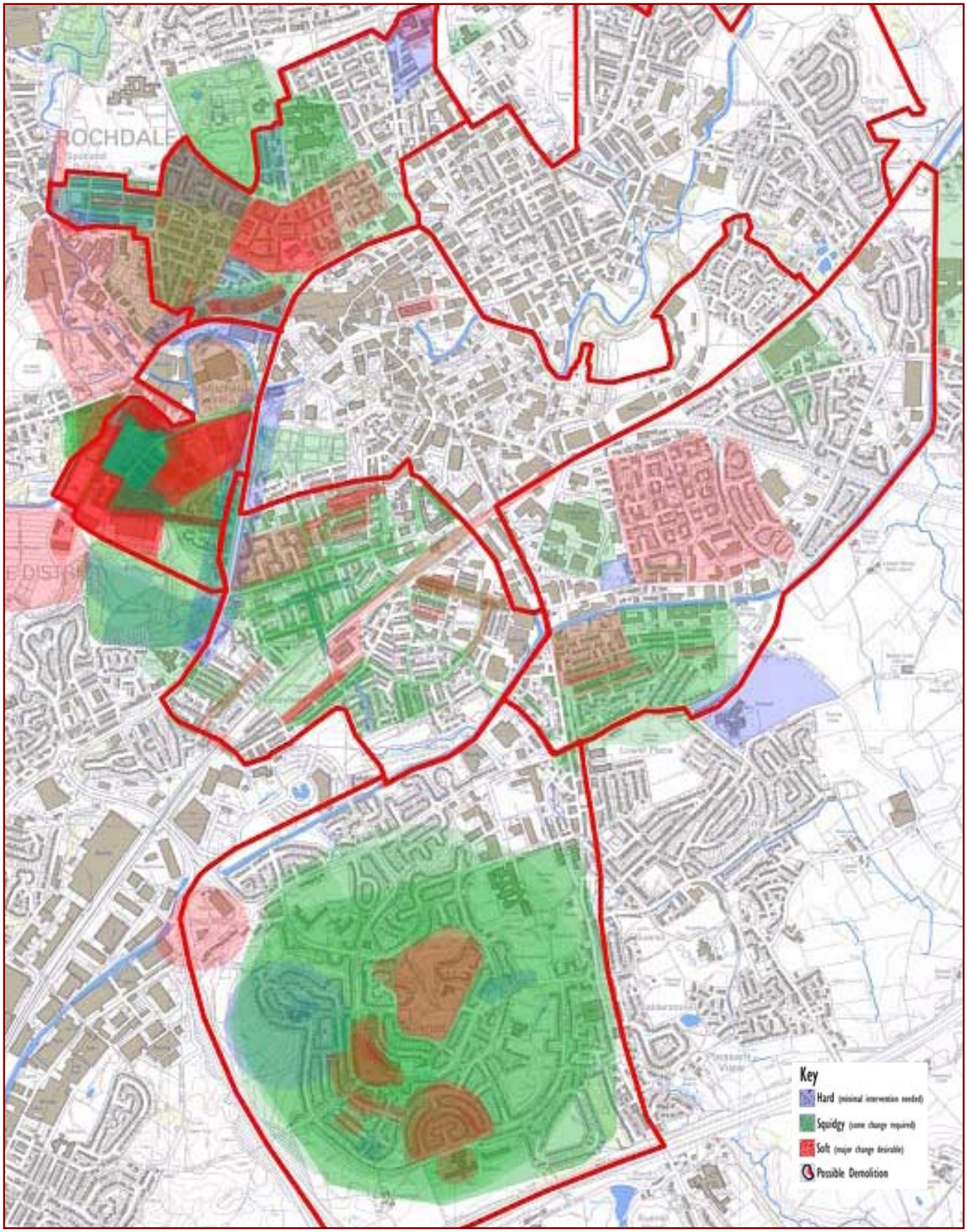
The left hand plan highlights the main areas of change that were identified by this process. These include both Falinge and Freehold Flats, Sparth, Central and southern Newbold and the Strand in Kirkholt.

The community plan picks up the same areas but with some important differences. The first is that there were very few areas where the community felt no change was necessary. There are by contrast, extensive 'improvement' areas. The main 'soft' areas include the flats, central Newbold and the Strand in Kirkholt (which is to be taken forward by the Pathfinder separate to the URBED Strategic Framework). The biggest difference is Sparth where the community's suggested demolition areas avoid the terraces entirely.

> The community identified virtually no hard areas where they considered no change was necessary



These consultation responses together with an analysis of the condition of the stock have been used to guide the investigation of intervention areas. This together with discussions with RBH has made clear that two of the areas identified in this process are not appropriate for complete demoli-


ROCHDALE
Key
Hard (minimal intervention needed)
Squidgy (some change required)
Soft (major change desirable)
Possible Demolition

tion - Freehold Flats and Sandfield because of recent improvements.

This exercise has fed into the identification of intervention areas as shown on the plan to the right. This outlines the three types of intervention outlined in the previous section as was the starting point for the more detained illustrative plans developed with the community through 2005.

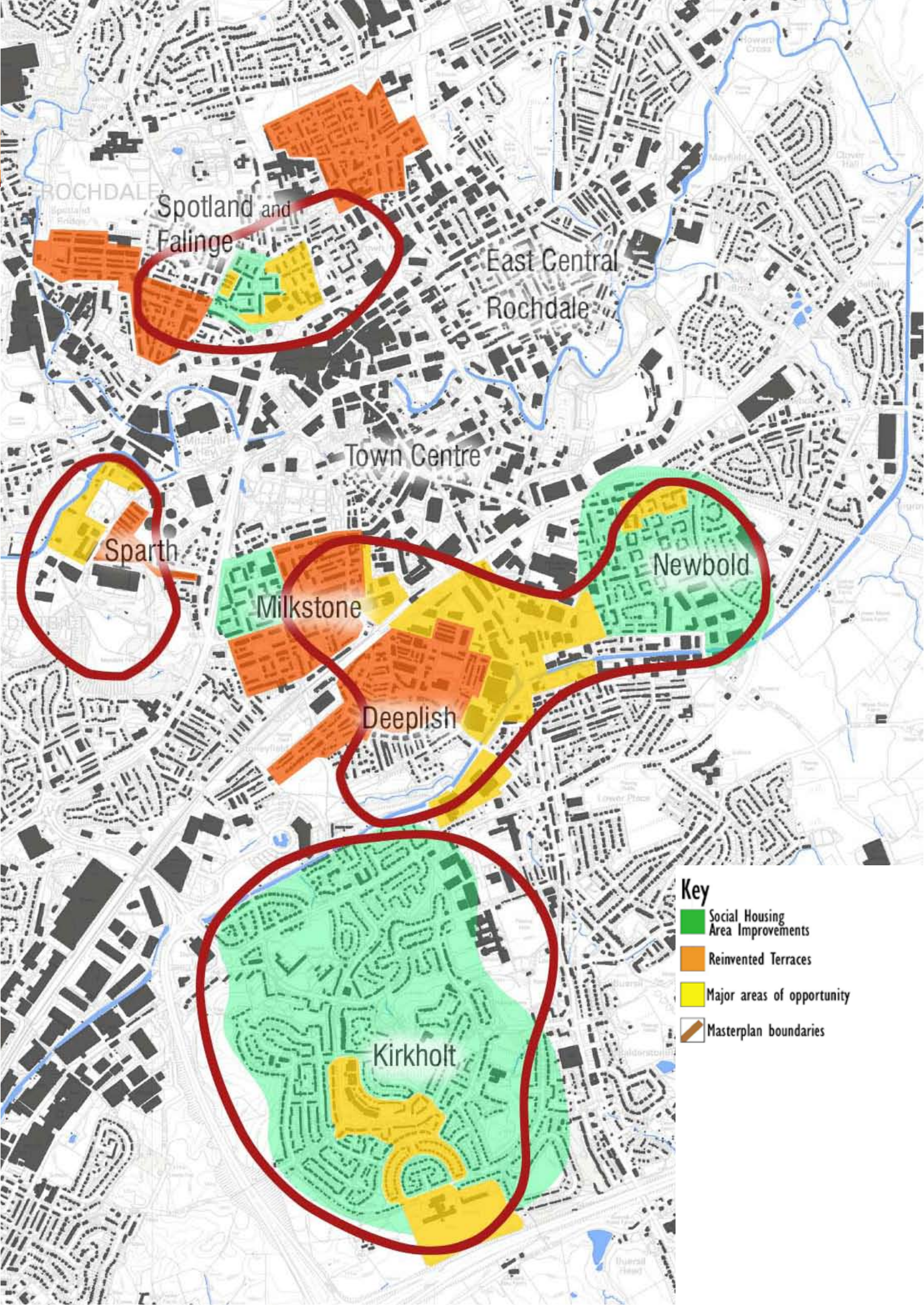
- **Yellow areas:** The yellow areas show the areas of search for new-build opportunities. They include the central parts of Newbold and Kirkholt that come through the hard and soft exercise. As part of the illustrative planing these areas have changed. In Newbold the demolition is limited to the blocks of flats on Milnrow Road while in Kirkholt the area on Kildare Crescent was excluded from the development framework proposals. Because of the lack of agreement on demolition in the other neighbourhoods, the yellow areas avoid terraced housing areas.

- **Red areas:** The terraces are shown as restructured terraces in red. These areas were also covered by the illustrated planning process and would be targeted for improvements to the housing as well as environmental works and home zones.

- **Green areas:** These relate to the improvements to social housing areas. The works would involve environmental improvements and alterations to the road network to improve connectivity.

These areas consolidated into a series of zones for the more detailed masterplanning work undertaken as part of the second stage of the study. These were Falinge - Whitworth Road, Sparth, Milkstone Road - the Canal and central Newbold.

These illustrative plans are described in the appendices to this report and are summarised on the following pages.


Spotland and Falinge
East Central Rochdale
Town Centre
Sparth
Milkstone
Newbold
Deeplish
Kirkholt
Key
Social Housing Area Improvements
Reinvented Terraces
Major areas of opportunity
Masterplan boundaries

5.2 Spotland and Falinge Illustrative Plan

The Spotland and Falinge Design for Change Charrette took place on 5-7th April together with Sparth. The participants split into two groups to prepare options for the area. However it was clear from the discussions that most of the neighbourhood was regarded as stable and reasonably successful. The main concerns related to traffic because all of the main roads through the area are clogged up in the rush hour. This has created pressure for ratrunning that has been addressed by blocking off all through routes through residential areas. As a result the few through routes that remain are busier than ever. One of the related concerns was the hospital which was seen as a problem largely because of the traffic that it generated.

Highways: The workshop therefore discussed the scope for highway improvements including the opening up of roads through residential areas by making them home zones. This would prevent through traffic but reduce the disconnection and frustration of the closed roads. There was concern from residents about rat running and any road openings as part of the masterplan have been designed to increase permeability and not ease of through traffic movement.

Spotland Road: One of the groups suggested the redevelopment of the lower part of Spotland Road. There was concern that the street had declined in recent years and there was a need for improvement. However we have taken the view that this is unlikely to be viable and have not included it in the plan.

Parking: The plans will cause a net loss of parking, however this is not a problem due to the spare capacity of Dunelm's carpark. There is also a RMBC Parking strategy being worked up alongside the masterplan that seeks to investigate and resolve parking issues further.

St. Mary's Neighbourhood: The main focus for the workshop was therefore the area around the Falinge Flats. The draft spatial framework identified the area to the east of the flats as a potential comprehensive development area and this was confirmed by the workshop. This was therefore planned by both groups as a new urban neighbourhood, shown in the illustrative plan as housing around a central green square.

Falinge Flats: A decision was made early in the process that we would not question the future of the Falinge Flats. However there was pressure at the workshop and in the consultations to address the weaknesses of the area which was seen to be poorly connected to the area and as projecting a poor image. This is overcome in the masterplan by reopening Toad Lane through the estate. A limited amount of demolition is then proposed to allow the estate to be reconfigured with new build housing and the reorganisation of the area to distinguish public and private space. As part of a later phase this could include the redevelopment of the supermarket and video shop into mixed use blocks to create a more appropriate street frontage property.

St. Mary's Gate: The Gateways and Corridors study suggests the boul-

evarding of St. Mary's Gate. This was endorsed by the workshop and has been incorporated into the plan. As part of this, frontage development is proposed along the northern side of the road to enclose the space. There would also be new pedestrian crossings and traffic light junctions.

Whitworth Road: A further redevelopment area is proposed at the bottom of Whitworth Road. This takes advantage of a number of vacant sites and under-used buildings to create a redevelopment site to anchor the lower part of the street. RMBC Highways are beginning this process with a planning pedestrian crossing at the Redcross St Junction.

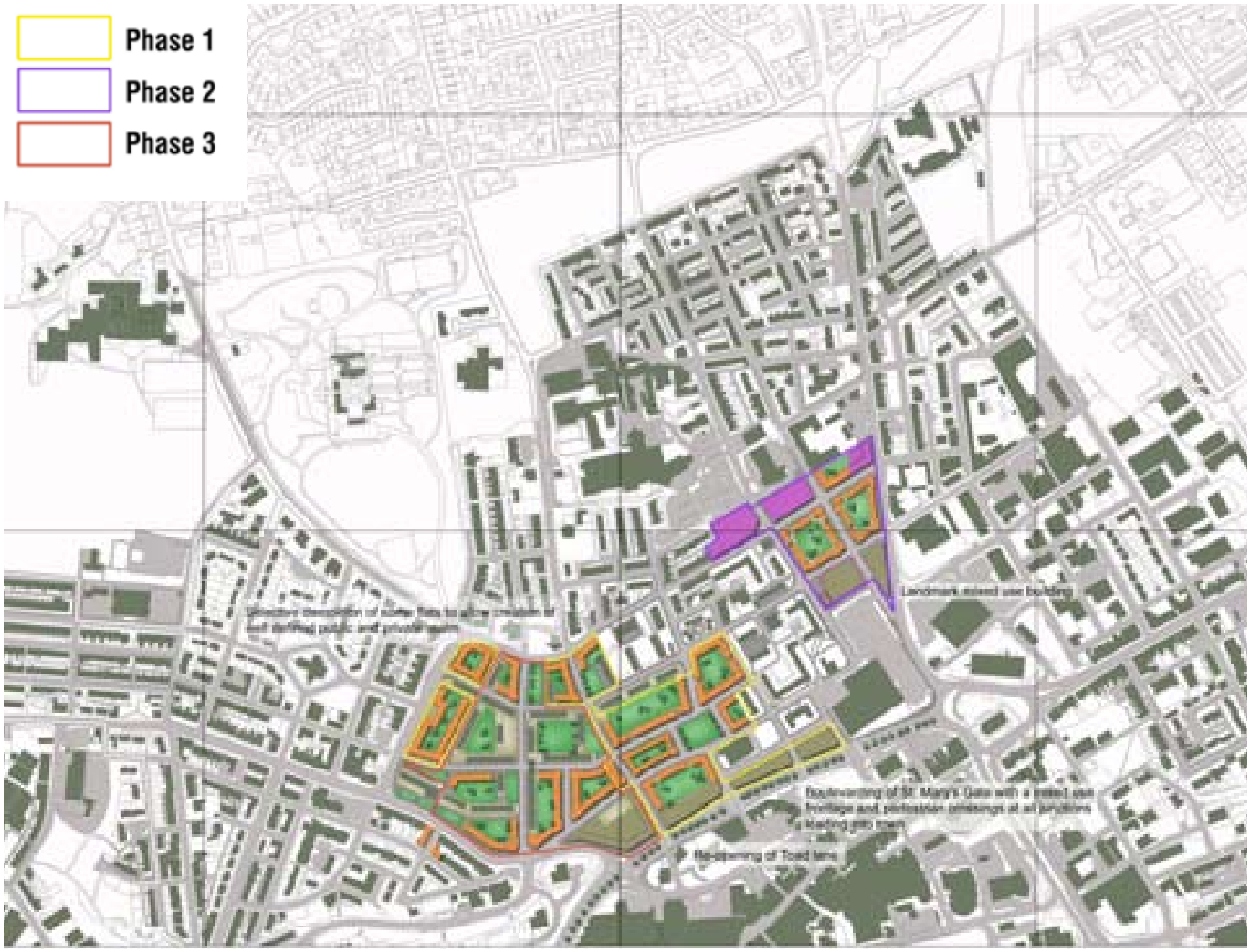
Phasing: This neighbourhood is not likely to be a priority in the early part of the HMR programme. However the St. Mary's Neighbourhood could be funded on the back of residential values and we would see this taking part in the first Phase. The Whitworth Street development would be Phase 2 and the remodelling of the flats would follow as the third phase.

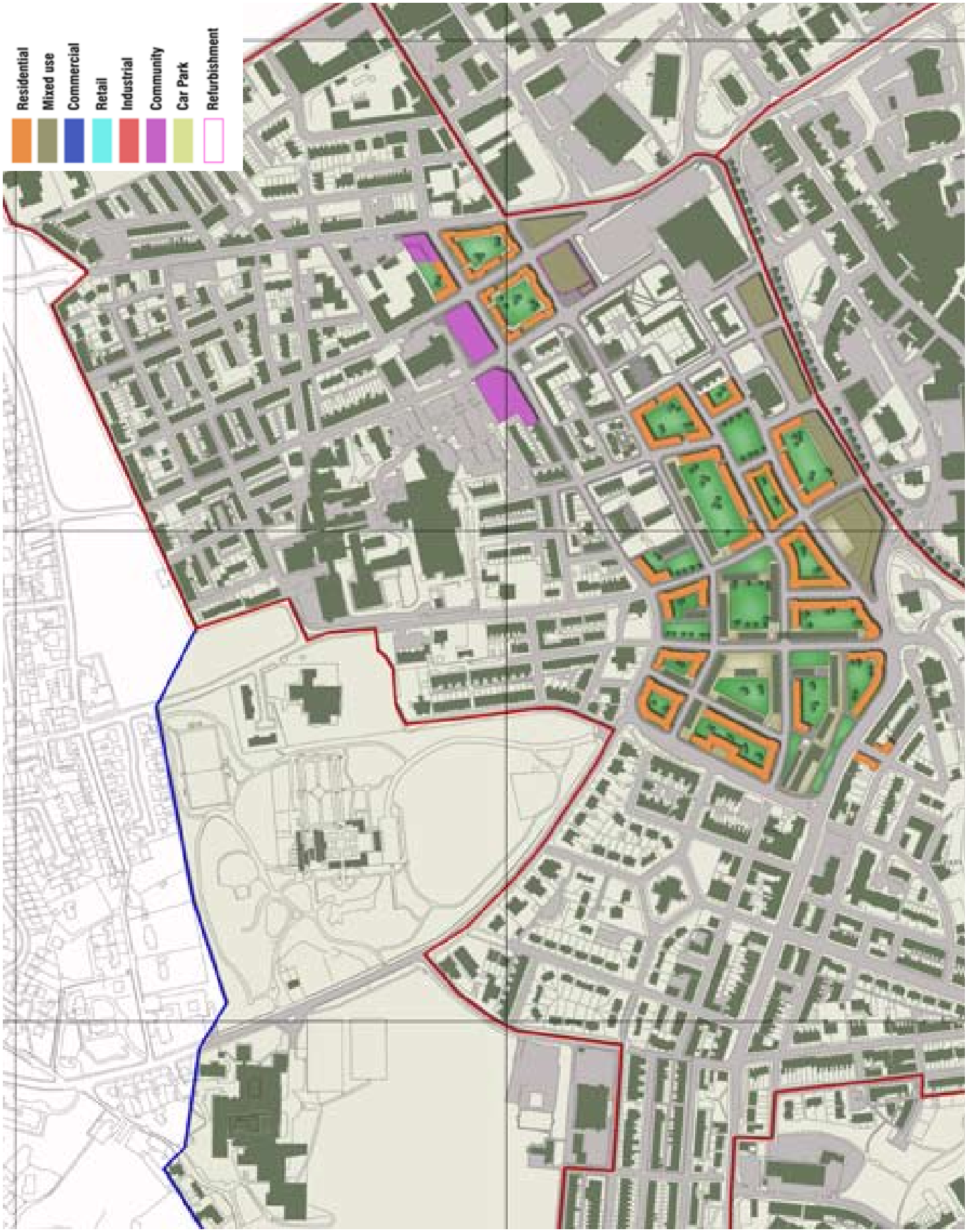
Yields: The St. Mary's Neighbourhood involves the demolition of around 7,500m2 of space. This includes a couple of factories in poor condition, a vacant pub, and RSPCA Clinic and Salvation Army Hostel. The hostel is considering redevelopment options and is happy to discuss possible options. The scheme also includes the demolition of two blocks of the Falinge Flats – Cartmel and Frieston each containging 16 flats. These are some of the poorest blocks on the estate and are built over an unused car park. The St. Mary's Neighbourhood can accommodate around 170 new homes together with commercial and retail space on the frontage and a new hostel.

The Whitworth Street redevelopment area involves the relocation of around 8,500m2 of accommodation. We have proposed that the sites north of Howard Street be developed by the hospital with the balance being housing and mixed use development amounting to around 150 residential units.

The reconfiguration of the Falinge Flats would involve the demolition of a further 48 flats in three blocks while creating an opportunity for 230 new homes which means that the development could be self funding.

Phasing plan




Residential
Mixed use
Commercial
Retail
Industrial
Community
Car Park
Refurbishment

5.3 Sparth Illustrative Plan

The proposals for Sparth were developed at a Design for Change Charrette on 5-7th April. The key issue in the area is the isolated nature of the remaining terraced housing and the conflict between this property and the surrounding industrial uses. This is a particular problem with regard to traffic on Norman Road. The housing is also the poorest quality property in inner Rochdale with some of the lowest values. Nevertheless there is a tight-knit community focussed on the community centre and mosque and a strong sense of loyalty to the area.

The draft strategic framework suggested the relocation of the industrial uses to the southern part of Sparth to allow a new residential development along the riverside and around the existing park. The existing housing was then designated as a reinvented terraces area to be assessed once the new housing had been completed. This scenario was explored at the Design for Change Charrette and three options were developed. These have been amalgamated on the plan opposite.

Phase 1 housing: The plan is based on an initial phase of new housing accessed off Bury Road with a new bridge link to Bridgefield Street. This builds on the land owned by St. Vincents Housing Association behind Oakenrod School. New housing would be developed on either side of the river creating a new edge to the park. In this first phase we have included a new fringe of housing on the southern side of the park (in as far as we are able without relocating the Concrete works) so that this park can become the heart of the local community. This first phases would also see the conversion of the mill on Bridgefield Street to housing.

Industrial relocations: The first phase also includes the creation of a new industrial area in the southern part of the area (this is expanded in subsequent phases). This industrial space is designed to accommodate the relocation of industrial uses both from Sparth and from other parts of inner Rochdale. This is serviced by a new road connection to take industrial traffic off Norman Road. TPP (our transport consultants) have explored a number of options for this road including a link across Mandale Park to Manchester Road or a new road along the valley bottom to Roch Valley Way. In both cases the road has been priced at around £1.5 Million, which would need to be found as part of the infrastructure works to aid industrial relocation. This would be justified not just on the basis of its impact on Sparth but on its impact in facilitating the comprehensive development areas elsewhere and in East Central Rochdale. This road requires further detailed feasibility work and we have left open the possibility of either route. The road may also be fundable if Sparth is chosen as the location for a proposed GM Waste depot. This could be accommodated within the proposed industrial area. If the road cannot be funded then a possible solution would be to look at the area between Oakenrod and Spotland Bridge to further exploit the residential capacity of that area, although URBED have undertaken initial studies of available land use we are not continuing with the work until the road options have

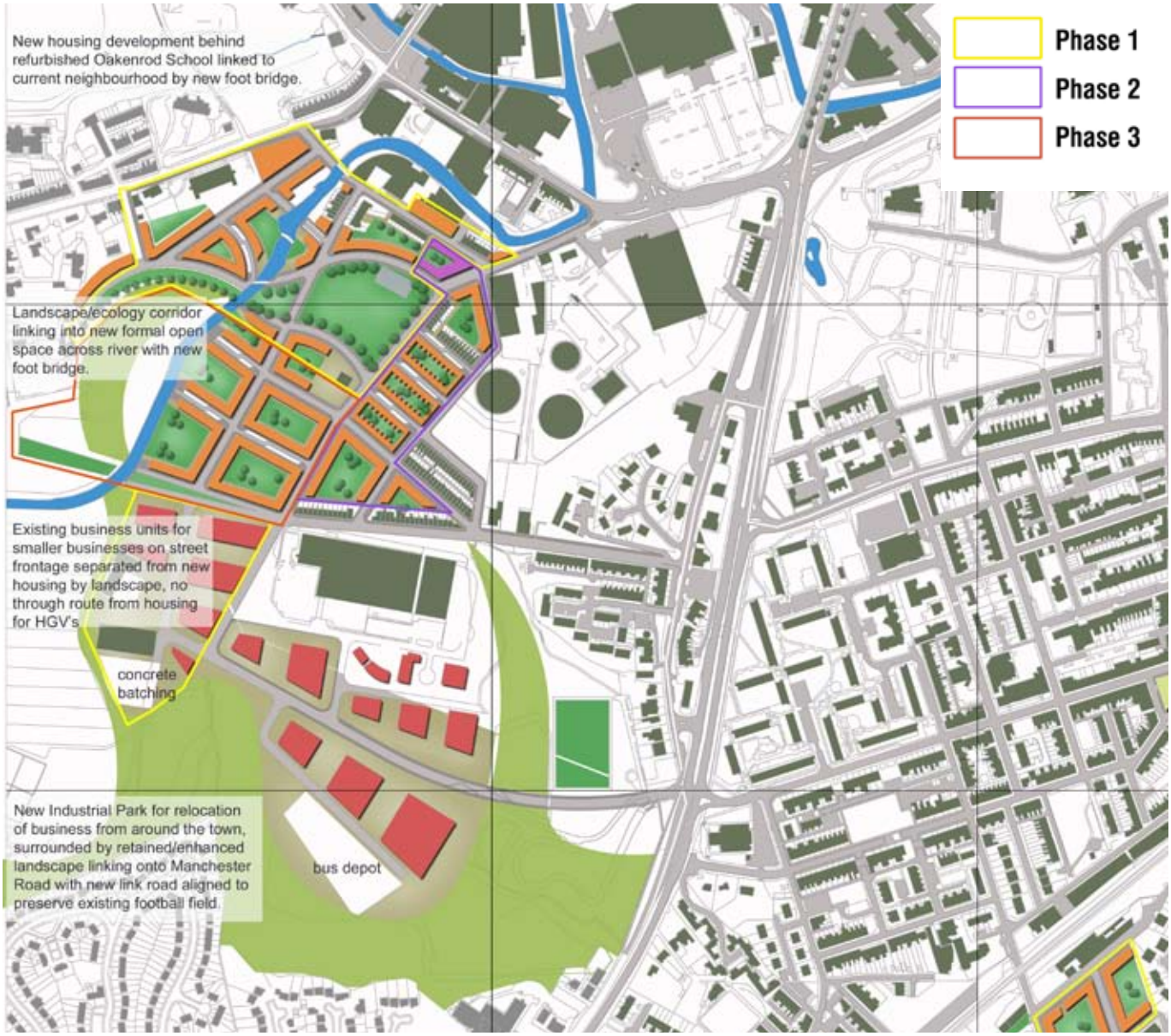
been fully and correctly assessed and the community has been consulted on possible changes to the masterplan.

Reinvented terraces: Following the completion of the Phase 1 houses, the terraces of Sparth would be assessed as Phase 2. The plan shows the terraces staying up and refurbished, however as we indicated in the previous section this could include demolition and redevelopment dependant on a number of factors.

Third Phase: The final phase shows the possible development of the land south of the park for housing. This would involve the relocation of the industrial uses in this area into the new industrial area. This is seen as a long-term option in the later phases of the HMR programme.

Yields: Phase 1 involves the demolition of a small amount (1,600m2) of commercial property and produces 200 new residential units. This is more than sufficient to accommodate the existing community. The first phase of the commercial development includes 5,500m^2 of space and the entire commercial area includes up to 23,000m^2. In total the area has the potential to accommodate around 530 homes.

Phasing Plan




Residential
Mixed use
Commercial
Retail
Industrial
Community
Car Park
Refurbishment

5.4 Milkstone and Deeplish Illustrative Plan

The Design for Change Charrette in Milkstone and Deeplish took place on 11th-13th April and was combined with Newbold. The main concern of the community in much of the area is with the condition of the existing housing stock and this is likely to be a major focus for the equity loan scheme and also for environmental improvements. Much of the detailed work therefore focussed on the opportunities for development around the periphery of the area where there are development opportunities and where the quality of the environment is much poorer.

The workshop therefore looked at a hard and soft exercise to identify potential for redevelopment. Small opportunities were identified throughout the area. However the main focus was on the area between MaclureRoad and Milkstone Road and the area between Durham Street and Oldham Road.

Milkstone Road: The area around the station is a complex area and the proposals are not for widespread clearance. However the arrival of the tram and a number of other development proposals creates the opportunity to create a much improved gateway to the town. This has been explored by the Gateways and Corridors study and our illustrative plan is compatible with the proposals emerging from this study. This involves the creation of a new public space outside the station and the redevelopment of the former school as a health centre. Trafiic circulation will have to be reassessed accordingly when the details of the Health scheme emerge and thus remains flexible in its current form. The workshop suggested that the Cash and Carry warehouses that cause so much congestion in the area be relocated to create an opportunity for an apartment scheme. Small infill opportunities are exploited in the northern part of the area while a new car park is created allowing the existing car park on Tweedale Street to become a public square.

Deeplish: South of the railway the masterplan shows a substantial redevelopment opportunity around the Co-op terraces. This is based on a new entrance to the station from the south (opening up the former subway), alongside car parking that would be created by eating into the empty capacity on the railway lines above, obviously the potential to bring forth parking schemes with HMR funding is limited however the masterplan needs to reflect what is a strong contender for the usage of that space, regardless of where the funding for its realisation comes from. This linkage opens into a new public green space running down to Lincoln Street. To the south of this area new development is designed to create a leisure focus around the canal basin and the refurbished Norwich Mill with a new commercial frontage on Oldham Road. This is linked to the proposals for Newbold that create the other side of Oldham Road.

Canalside: The masterplan has looked at the open space along the canal which is currently underused. This has the potential to be developed as a park overlooked by new housing. The main opportunity here is the redevelopment of the Kwik Save site which is cur-

rently on the market, whilst there are issues about the proximity of the right turn to the site entrance it should not be a barrier to development. There are also needs to strengthen pedestrian access to the Canal Basin, this strategy can be expanded as plans for the area develop.

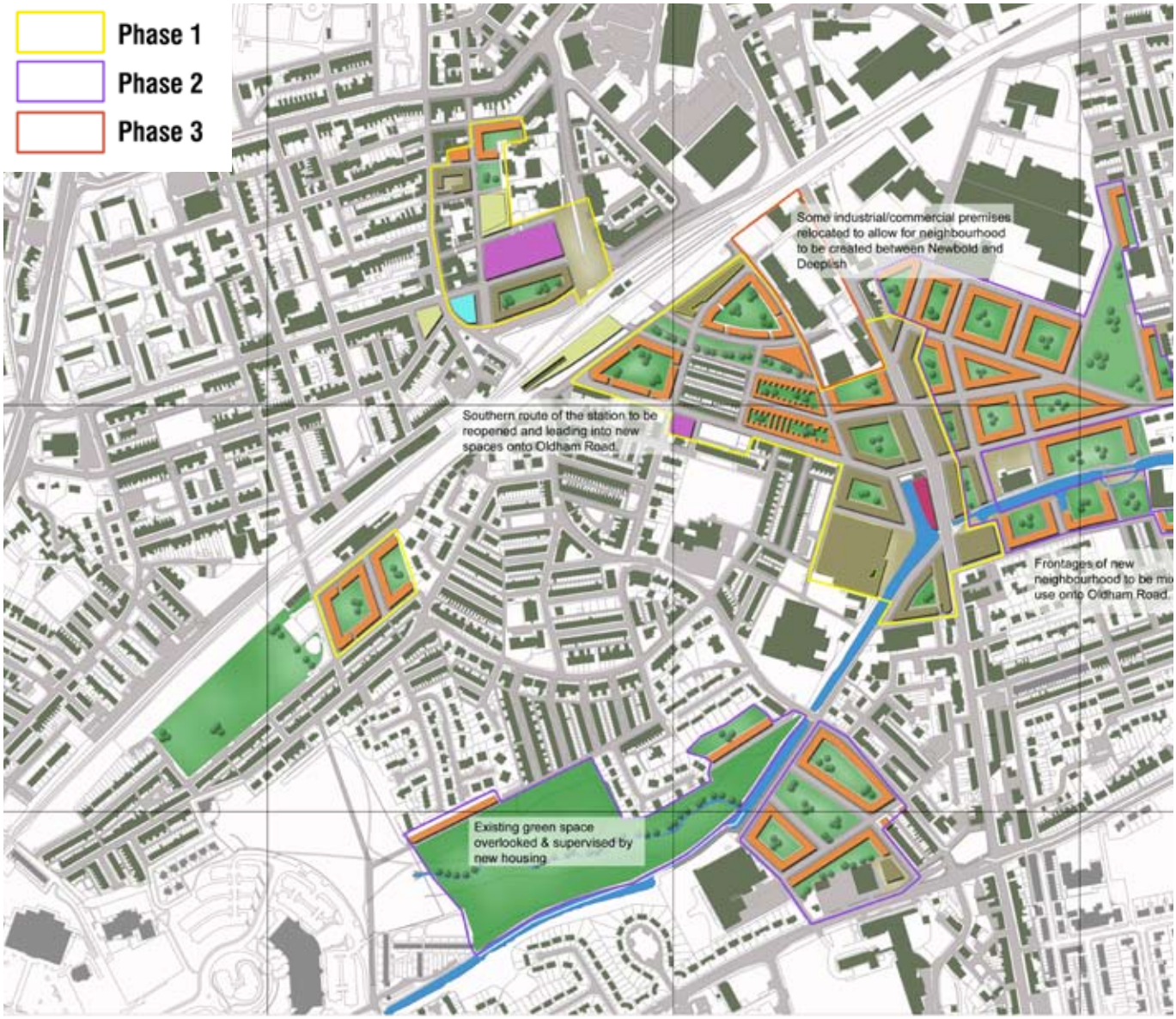
Phasing: It is anticipated that the Milkstone Road works and the Durham Street redevelopment could take place in the first phase – ie the first five years. The Newbold side of the road is likely to happen in the second phase. The park is seen as a second phase project however this may be possible to bring forward if the Kwik Save site becomes available. It is also dependant on the removal of commercial businesses from the identified areas of intervention.

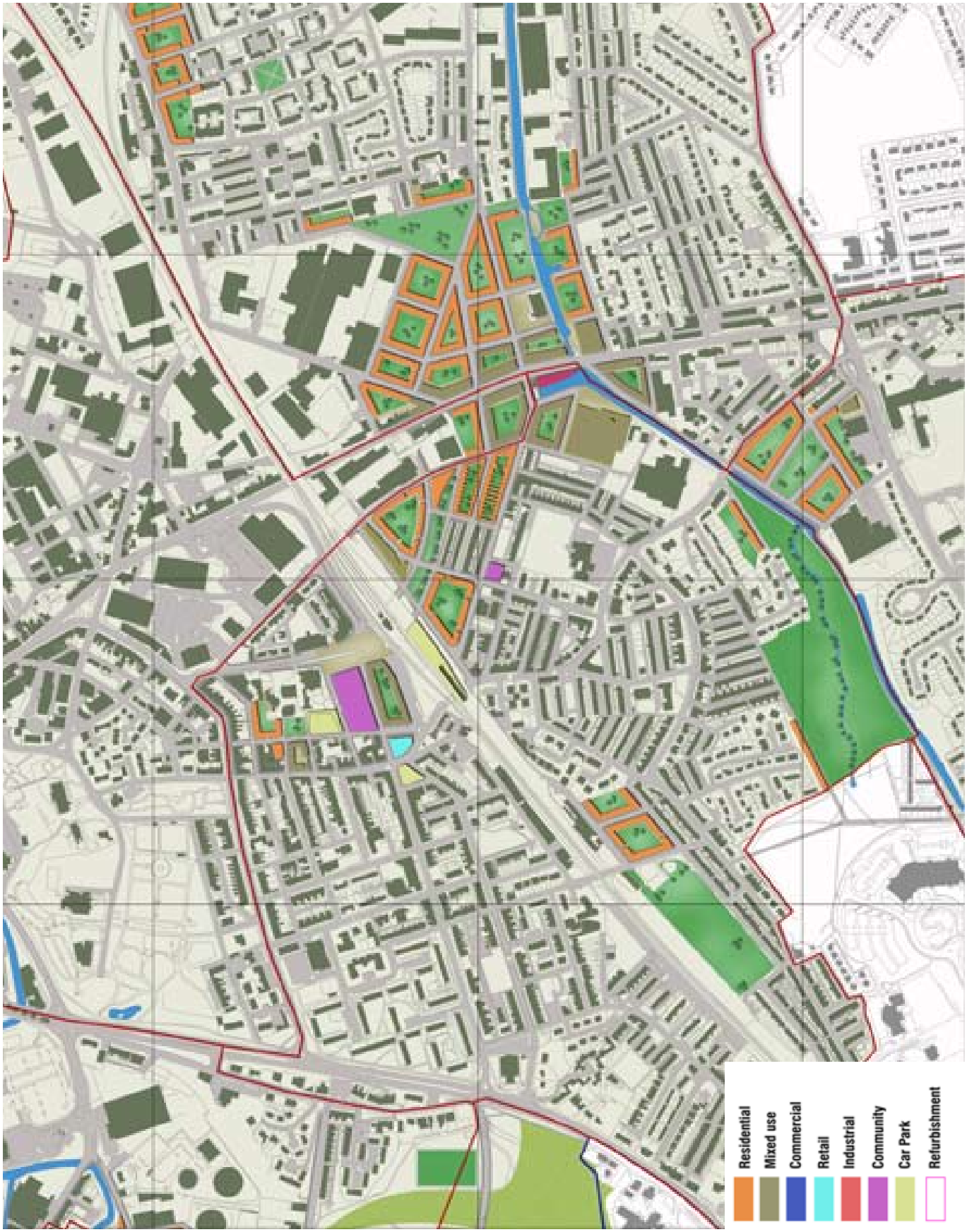
Yields: The Milkstone Road area involves a small amount of demolition. This includes 702m2 of commercial property 2,707m2 of Cash and Carry's and the Sparrow Hill School. This area yields around 60 new homes as part of mixed use development with commercial ground floor space. It also includes the new health centre and one replacement Cash and Carry unit.

The Deeplish comprehensive redevelopment area involves the demolition of around 17,000m2 of commercial space. To extinguish or relocate the entirity of this business will be costly so URBED suggests that the land is reclassified from employment to housing land. This will stimulate the market and acheive HMR goals without the need for overspend as it will encourage businesses to sell their revalued land and seek alternate sites as their businesses expire. This possibility is currently being studied, the results of which will be available in spring 2006.

The illustrative masterplan is based on a mix of two and three storey housing and yields around 630 new homes. In total across the area as a whole in all three phases there is the potential for around 900 new homes.

Phasing Plan




Residential
Mixed use
Commercial
Retail
Industrial
Community
Car Park
Refurbishment

5.5 Newbold Illustrative Plan

The Newbold area has been difficult to engage with throughout the study. On both of the Bus tours the response from Newbold was limited and the there were only a small number of people at the workshop. The core of the area is dominated by the Guinness Estate which is undergoing extensive environmental works. This includes a proposal to redevelop the one bedroom flats on Milnrow Road which we have incorporated into the masterplan. There were discussions about the extent of change to the road network on the rest of the estate, such as reintroducing traffic by making Vavasour Street a home zone. However it was not possible to pursue this idea as it conflicts with the Guinness Estate's ideas for their properties in the area.

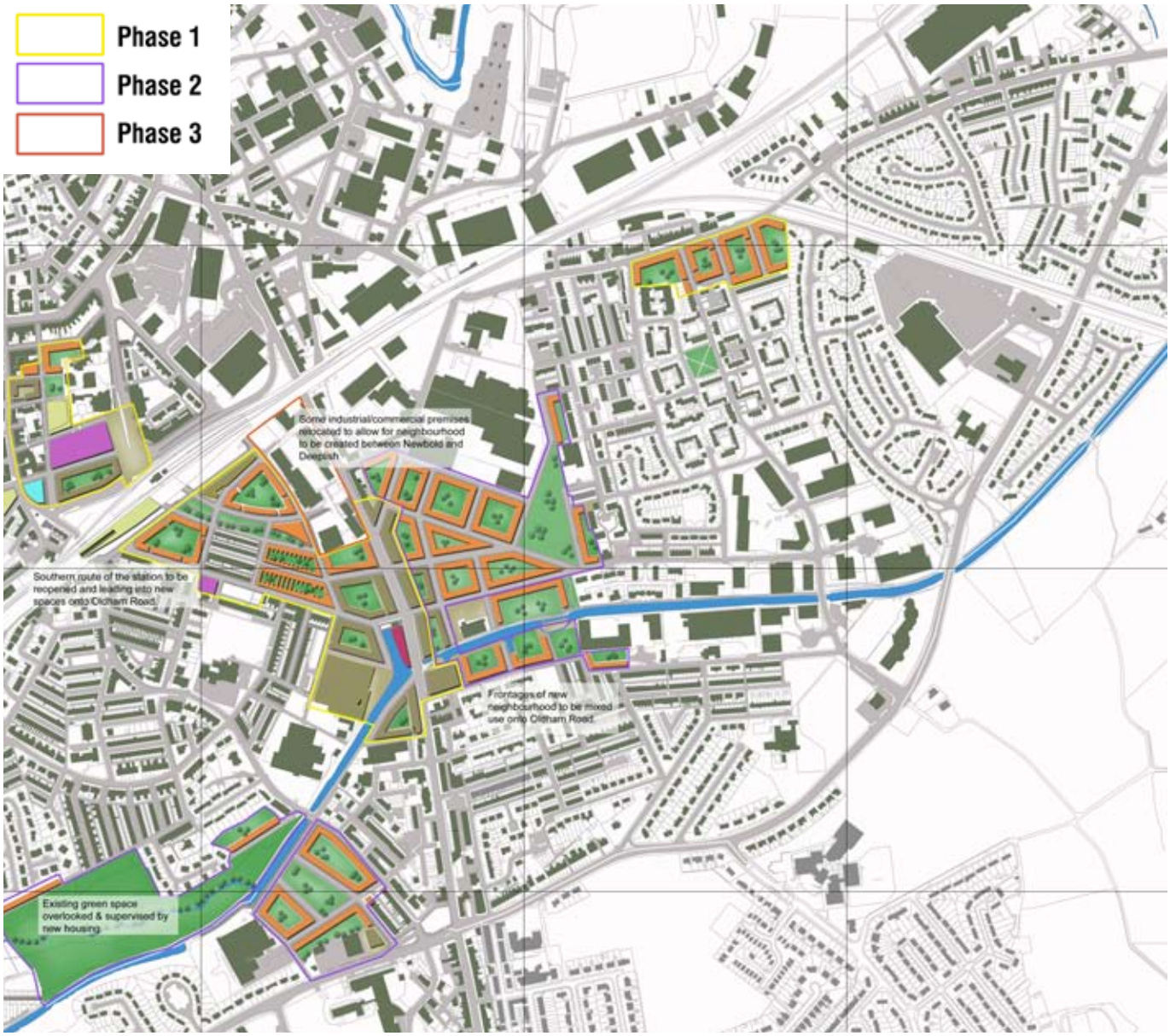
The proposals at the workshop therefore focussed on the area to the west of Newbold along Dodgson Street and Crawford Street. This is an area of poorly used industry and open space. The plan has therefore explored the possibility of relocating industry from this area to create an opportunity for newbuild, mixed use development that can tie Newbold into the rest of Rochdale.

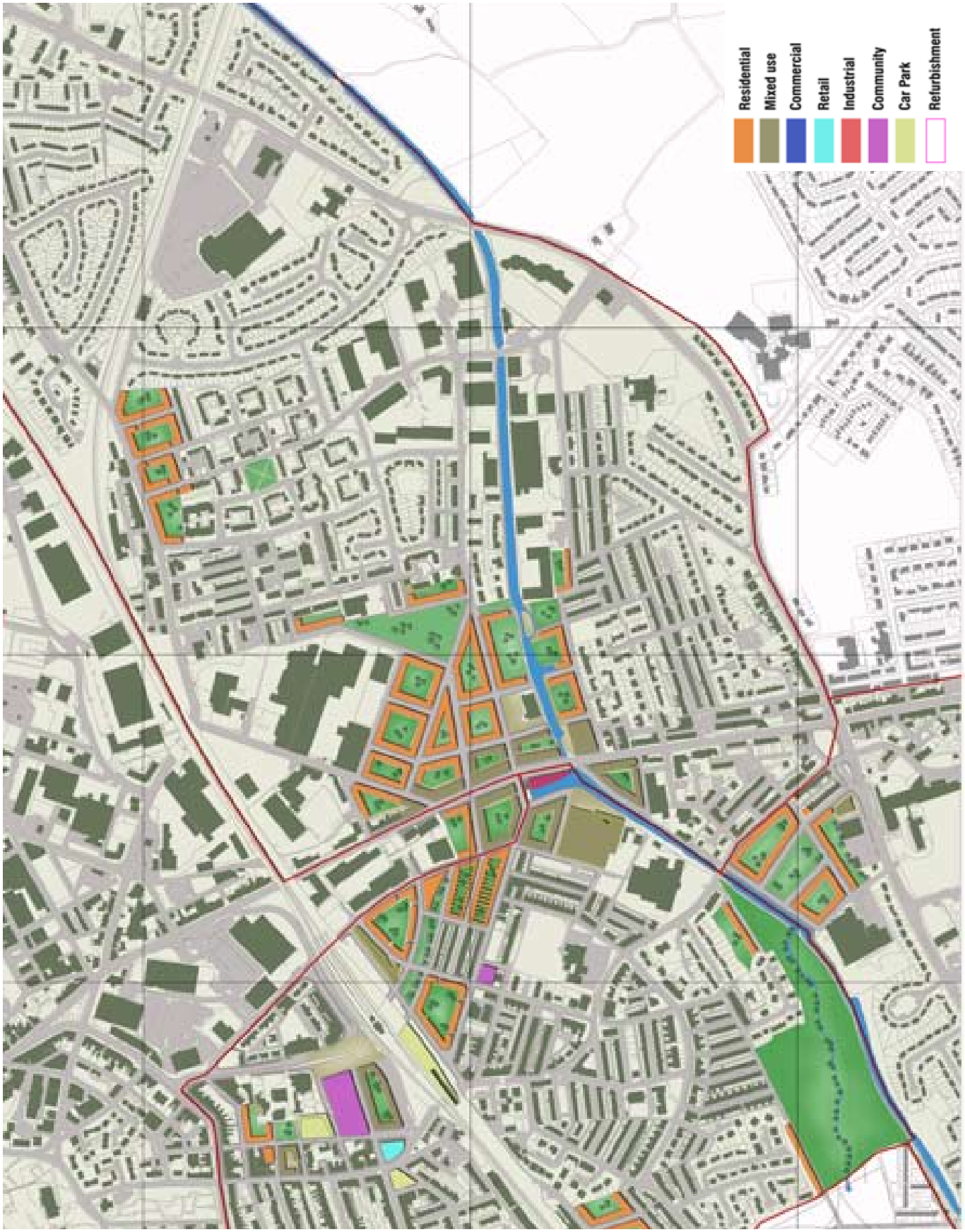
Crawford Street: The starting point for discussions was the role of Crawford Street in accommodating through traffic. It is clear from the work on Kingsway that Crawford Street plays a role in taking westbound traffic from Kingsway and the illustrative plan therefore develops this as a secondary street to accommodate traffic to feed into a new commercial centre on Oldham Road. The masterplan is includes mixed use development on the Oldham Road frontage and along the canal with housing to the rear around a central open space.

Phasing: We would anticipate the Guinness redevelopment coming forward in the first phase of the programme although this would not require HMR funds. The redevelopment of Crawford Street is a more extensive exercise requiring relocations and is therefore likely to be something that happens as part of the second phase of the works.

Yields: The redevelopment area involves 12-15,000m2 of commercial space. Part of this is already empty while the remainder will need to be relocated. The new build area has the potential to accommodate around 700 new homes in a combination of 2 and 3 storey blocks with 3 and 4 storey blocks on the frontage. Together with the Guinness estate there is the potential to accommodate just under 900 homes in the area as a whole.

Phasing Plan



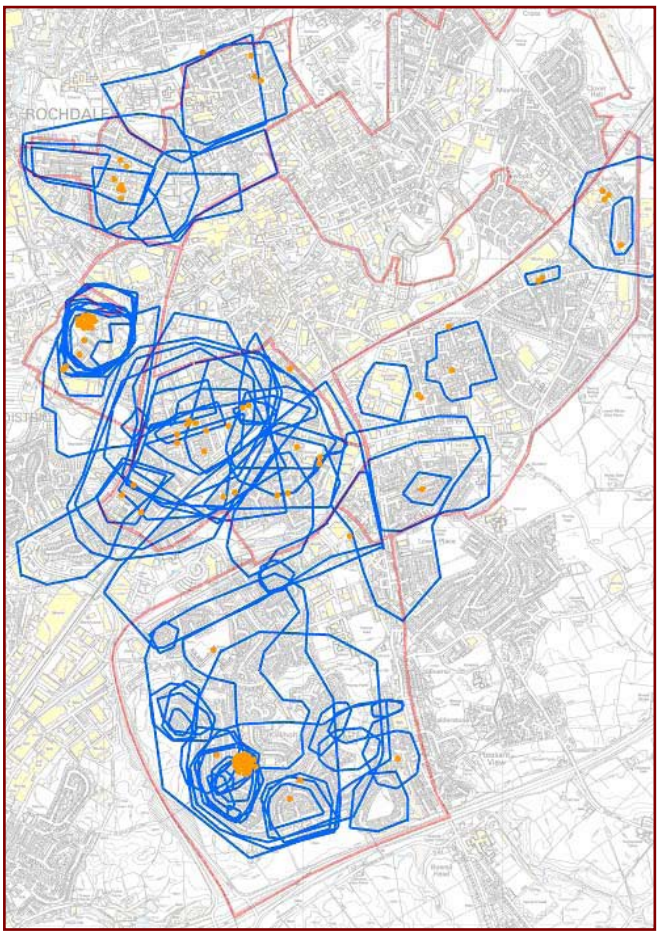

Residential
Mixed use
Commercial
Retail
Industrial
Community
Car Park
Refurbishment

5.6 Spatial Framework

The Borough Vision is based on the idea of creating sustainable neighbourhoods as the building block of its renaissance. This has also been central to this study and we have therefore sought to identify the neighbourhood territories in the study area.

While we have been calling the five areas covered by this study neighbourhoods, it is clearly not the case that they all operate as neighbourhoods. We have therefore undertaken an exercise to understand the community structure of the study areas and the way in which local communities see themselves and their relationship to others. This is important because it is these community territories that we must build upon if we are to create sustainable urban neighbourhoods.

As described in the neighbourhood profiles, we undertook an exercise on the bus that asked people to put a dot in what they considered to be the centre of their neighbourhood and to draw a line around the edge. These were analysed for the individual neighbourhoods and are combined below. From this we have assembled a neighbourhood map of the five areas (below right) that tries to identify the shape of the communities in the area. Some of the key points to emerge are:

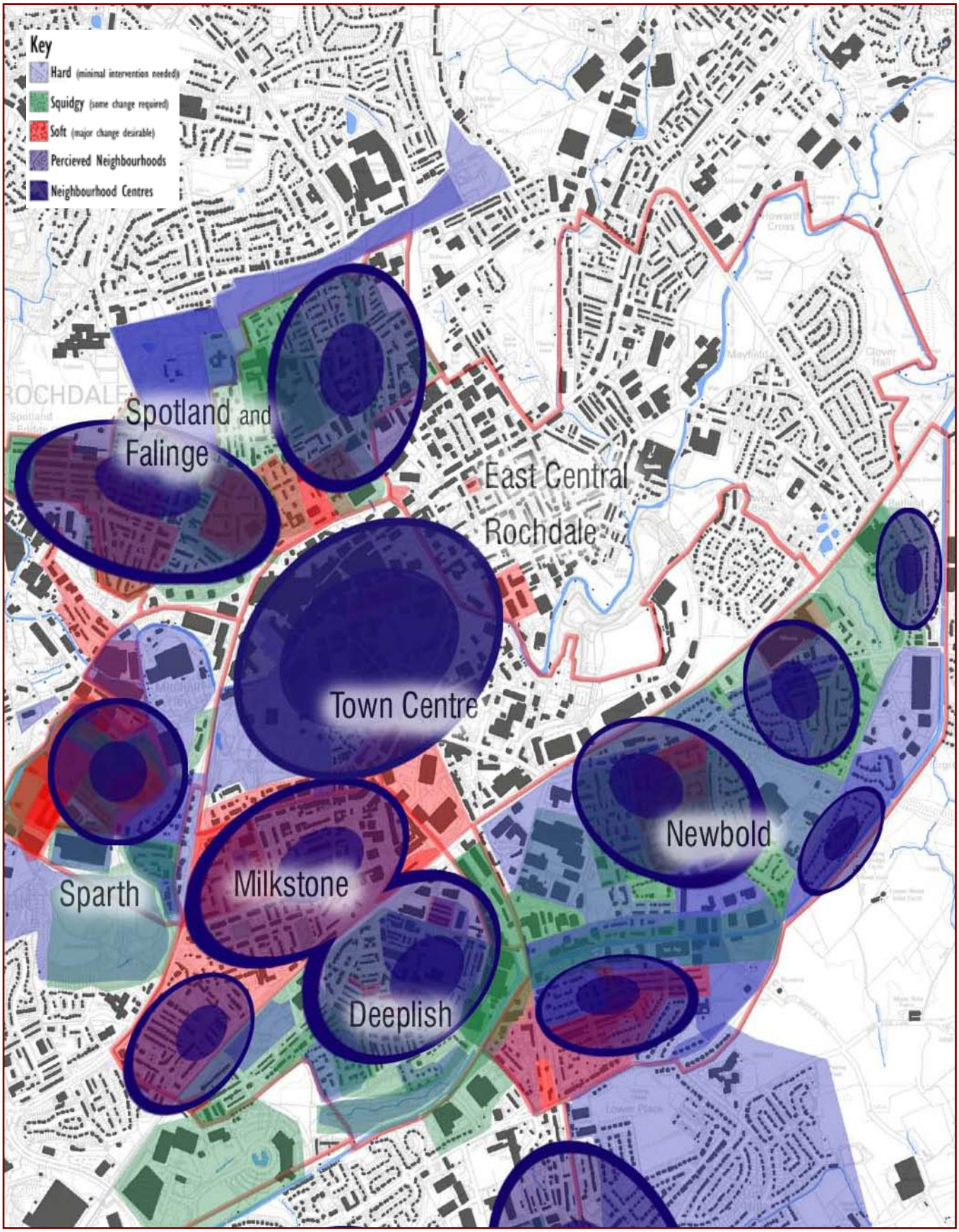


- Neither of Falinge nor Freehold flats are seen as separate neighbourhoods.
- Sparth is the most coherent and self-contained neighbourhood.
- Milkstone and Deeplish are quite closely linked despite being separated by the railway line. There is however a separate community of Dunsterville to the south.
- Newbold is fragmented into a series of small communities - the reality being that it has a weak and fragmented neighbourhood structure.

Sustainable Urban Neighbourhoods

We have used this neighbourhood structure as a framework for the creation of a series of sustainable urban neighbourhoods in line with the title of this study. In order to do this we set out below the key characteristics of a sustainable neighbourhood:

- An area where people don't feel negatively labelled for living there.


Key
Hard (minimal intervention needed)
Squidgy (some change required)
Soft (major change desirable)
Percieved Neighbourhoods
Neighbourhood Centres
Spotland and Falinge
East Central Rochdale
Town Centre
Newbold
Sparth
Milkstone
Deeplish

5.6 Spatial Framework

This implies a mix of tenures and house types.

- A strong identity and an identifiable centre. Successfully neighbourhoods like towns and villages tend to be known by their centre.
- Unlike towns and villages, however, neighbourhoods tend to blend into one another and rarely have clear cut edges. Where they do, such as along railway lines, the areas next to the line tend to be the least successful.
- The centre of the neighbourhood tends to be on a high street where people pass through. This means that local shops serve more than just a local market and the neighbourhood does not feel cut off
- Successful neighbourhoods have a range of facilities, including places to meet, places to worship, open space and facilities.

When all of these factors come together you tend to get a strong sense of identity and community spirit. A number of the Rochdale neighbourhoods do reasonably well by these criteria. Milkstone, Whitworth Road, Spotland, Deeplish and Balderstone (eastern Kirkholt) all incorporate many of these characteristics. However the areas that were planned such as Newbold do less well. Community spirit can of course also be born out of adversity and a shared struggle. This is the case with the strongest of all of the study areas - Sparth. However in all cases it is possible to improve the prospects for the neighbourhood by improving the factors described above as we set out on the following pages.

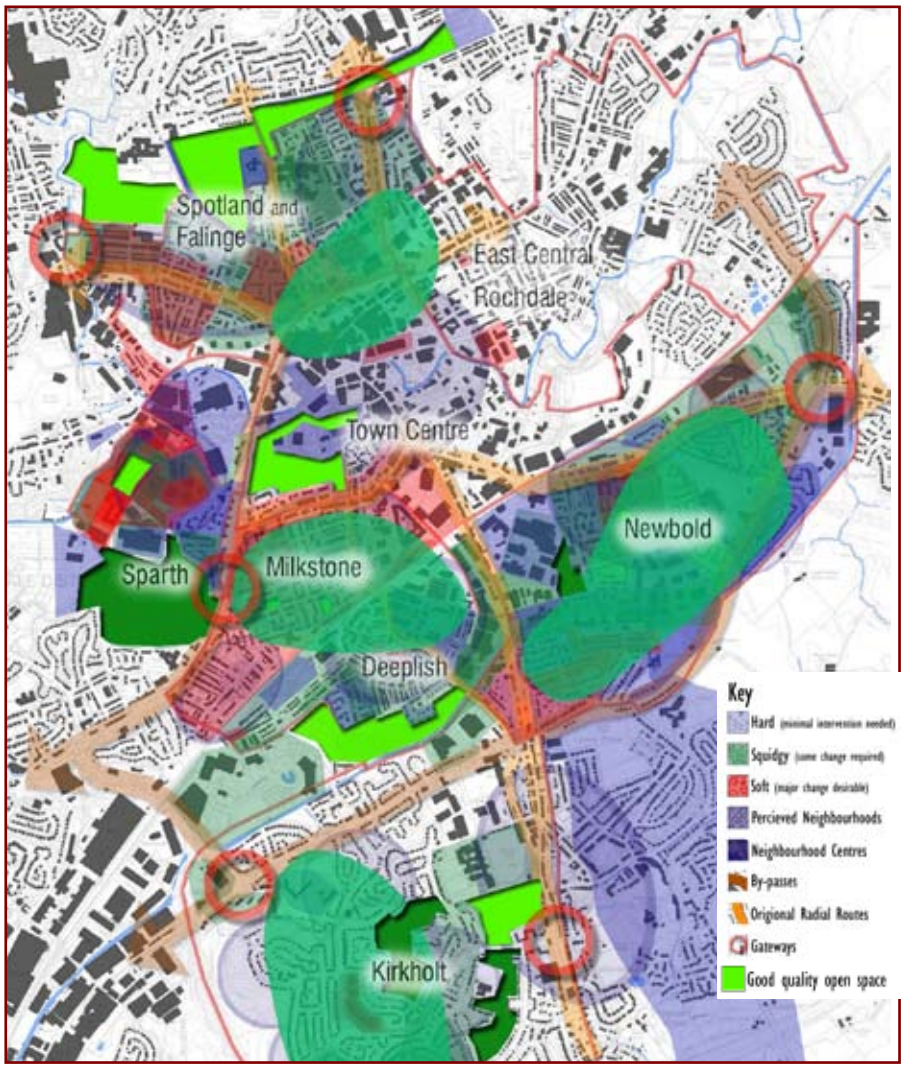
> When the characteristics of a sustainable urban neighbourhood are present you tend to get a strong sense of identity and community spirit

Street network

In Section 2.6 we described the growth of Rochdale and its current urban structure, land uses and road network. We showed that large parts of the town retain its historic form and these tend to be the areas that remain successful.

This is largely due to the street network that is shown on the plan below. This shows the original radial routes in light brown. These include Whitworth Road, Spotland Road and Oldham Road, Milnrow Road and Drake Street which was the original road to Manchester. The most interesting of these routes is Milkstone Road and to the north Toad Lane (now largely disappeared). This appears to have been one of the original routes through Rochdale before it was bypassed by the Oldham Road. Milkstone Road retains much of the activity that might otherwise have developed on Oldham Road. The dark brown routes are different in Character and included Manchester Road, St. Mary's Gate and Kingsway/Queensway. These are essentially bypasses and tend to create barriers between neighbourhoods rather than a focus.

By overlaying this street network with the land use plan a series of strong neighbourhood centres emerge, particularly Spotland Road, Whitworth Road, Drake Street and to a lesser extent Oldham Road and Milnrow Road. The strategy is to strengthen these centres and to create the opportunity for centres to develop elsewhere. This includes the strengthening of Milnrow Road as a node in Newbold, a new access in Sparth to create a through route to Roch Valley Way or Manchester Road and the reconfiguration of the street network in Kirkholt to bring more traffic through a new centre (without undoing the work of previous traffic calming measures).



Gateways

This has been combined with the work of the Gateways and Corridors study to ensure that improvements to the neighbourhood also impact on external perceptions of the town. Particularly important are the improvements to St. Mary's gate and also the arrival experience at the Station. In both cases, our proposals are in line with thise of the Corridors and Gateways study.

Open space

The plan left shows the proposed open spaces structure of the four neighbourhoods. Quite large parts of the study area are poorly served for open space, especially recreational facilities. We have therefore sought to ensure that there is good quality space within each of the neighbourhoods and that each is arranged around a new or improved green square.

6. Business case

In which we explore the broad financial implications of this strategy.

There strategy set out in the preceeding sections has been prepared for the updated prospectus for submission to secure Housing Market Renewal funds. The business case has therefore been assessed by URBED and King Sturge.

In the draft report we assessed each of the three parts of the strategy. This has now been developed into business plans for each of the neighbourhoods (Milkstone, Deeplish and Newbold are treated together). These are set out on the following pages. In each case we start by outlining the costs of industrial relocation before looking at residential demolition and refurbishment for the two scenarios that we have described. We then look at other acquisitions and infrastructure costs to create a total cost. This is then set against anticipated values for the residential and commercial land created to estimate a gap that requires funding.

As described earlier this has been done in three phases. The first of these relates to the first five years of the HMR programme. The second phase is seen as the balance of the HMR programme and the final section looks at the long term future. In most cases the requirement for gap funding falls towards the end of the programme and it is anticipated that, with rising values, these later proposals would become self-financing.

COMMERCIAL DEMOLITIONS

Block No.	Use	Footprint Area (sq m)	Floors	Floorspace of Properties to be Acquired (sq.m)	Floorspace Extinguished (1/3 of Acquisitions)	Floorspace Relocated (2/3 of Acquisitions)	Average Cost of Extinguishment (2 x Cost of Acquisition)	Total Cost of Extinguishment	Average Cost for Acquiring & Relocating Property *	Total Cost of Acquiring & Relocating Property	Demolition Remediation Costs (per hectare)	Cost of Demolition & Remediation (Assuming 80% building coverage)	Total Cost of Acquiring & Relocating Property and extinguising Businesses	TOTALS
Phase 1														Phase 1
6	PH 39	154.72	2	309	103	206	£860	£88,706	£559	£115,318	£933,360	£23,106	£227,130	
7	Warehouse	905.79	1	906	302	604	£860	£259,660	£559	£337,558	£933,360	£67,634	£664,852	
10	Works	1025.53	2	2,051	684	1,367	£860	£587,971	£559	£764,362	£933,360	£153,150	£1,505,482	
11	Works	88.11	1	88	29	59	£860	£25,258	£559	£32,836	£933,360	£6,579	£64,673	
12	Works	208.98	2	418	139	279	£860	£119,815	£559	£155,760	£933,360	£31,209	£306,784	**£2,768,920**
Phase 2														Phase 2
16	Shed?	58.93	1	59	20	39	£860	£16,893	£559	£21,961	£933,360	£4,400	£43,255	
17	Depot	346.19	2	346	115	231	£860	£99,241	£559	£129,013	£933,360	£25,850	£254,104	
18	Warehouse	613.67	2	614	205	409	£860	£175,919	£559	£228,694	£933,360	£45,822	£450,435	
19	Warehouse	715.64	3	716	239	477	£860	£205,150	£559	£266,695	£933,360	£53,436	£525,281	
20	Works	654.99	2	655	218	437	£860	£187,764	£559	£244,093	£933,360	£48,907	£480,764	
21	?	134.76	2	135	45	90	£860	£38,631	£559	£50,221	£933,360	£10,062	£98,914	
22	?	792.66	2	793	264	528	£860	£227,229	£559	£295,398	£933,360	£59,187	£581,814	
23	Works	160.11	2	160	53	107	£860	£45,898	£559	£59,668	£933,360	£11,955	£117,521	
24	Works	742.71	2	743	248	495	£860	£212,910	£559	£276,783	£933,360	£55,457	£545,151	
25	Shed?	44.55	2	45	15	30	£860	£12,771	£559	£16,602	£933,360	£3,326	£32,700	
26	(7) terrace shops	298.47	2	298	99	199	£860	£85,561	£559	£111,230	£933,360	£22,286	£219,078	
27	Warehouse	397.54	2	398	133	265	£860	£113,961	£559	£148,150	£933,360	£29,684	£291,795	
28	?	165.85	2	166	55	111	£860	£47,544	£559	£61,807	£933,360	£12,384	£121,734	**£3,762,546**
Phase 3														Phase 3
8	Supermarket	1168.13	1	1,168	389	779	£860	£334,864	£559	£435,323	£933,360	£87,223	£857,410	
9	Retail unit	303	1	303	101	202	£860	£86,860	£559	£112,918	£933,360	£22,625	£222,403	**£1,079,813**

RESIDENTIAL DEMOLITIONS (Scenario 1)

Block No.	Uses	Units	Demolition rate	No. of Properties to be Demolished	Less those already acquired	Acquisition Cost per Residential Unit	Acquisition Cost for Residential Stock	Home Loss Payments (10% of OMV)	Disturbance Payments (£2000 per property)	Service Disconnection, Demolition & Legal Fees £3,000 per unit	Cost of Service Disconnection, Demolition & Legal Fees	Total Cost for Acquiring & Demolishing Property	TOTALS
Phase 1													Phase 1
Demolition of two Blocks of the Falinge Flats acquisition costs assumed to be the same as for terraces - value goes to RBH													
	Flats	32	100%	32	32	£45,000	£1,440,000	£144,000	£64,000	£3,000	£96,000	£1,744,000	£1,744,000
Phase 2													Phase 3
Area has 3,097 properties of which 51.3% are terraces Scenario 1 assumes 15% of these will be demolished.													
	Terraces	1,601	15%	240	240	£45,000	£10,807,756	£1,080,776	£480,345	£3,000	£720,517	£13,089,393	**£13,089,393**
Phase 3													Phase 3
Demolition of two Blocks of the Falinge Flats acquisition costs assumed to be the same as for terraces - value goes to RBH													
	Flats	48	100%	48	48	£45,000	£2,160,000	£216,000	£96,000	£3,000	£144,000	£2,616,000	£2,616,000

RESIDENTIAL REFURBISHMENT(Scenario 1)

Block No.	Uses	Units	Refurbishment rate	Units to be refurbished	Cost per unit								TOTALS
Phase 1													Phase 1
Assumed refurbishment of 33% of remaining terraces over first two phases													
		1,361	17%	227	£20,000								**£4,536,584**
Phase 2													Phase 2
Assumed refurbishment of 33% of remaining terraces over first two phases													
	Houses	1,361	17%	227	£20,000								**£4,536,584**
Phase 3													Phase 3
	None												

RESIDENTIAL DEMOLITIONS (Scenario 2)

Block No.	Uses	Units	Demolition rate	No. of Properties to be Demolished	Less those already acquired	Acquisition Cost per Residential Unit	Acquisition Cost for Residential Stock	Home Loss Payments (10% of OMV)	Disturbance Payments (£2000 per property)	Service Disconnection, Demolition & Legal Fees £3,000 per unit	Cost of Service Disconnection, Demolition & Legal Fees	Total Cost for Acquiring & Demolishing Property	TOTALS
Phase 1													Phase 1
Demolition of two Blocks of the Falinge Flats acquisition costs assumed to be the same as for terraces - value goes to RBH													
	Flats	32	100%	32	32	£45,000	£1,440,000	£144,000	£64,000	£3,000	£96,000	£1,744,000	£1,744,000
Phase 2													Phase 3
Area has 3,097 properties of which 51.3% are terraces Scenario 1 assumes 7.5% of these will be demolished.													
	Terraces	1,601	7.5%	120	120	£45,000	£5,403,878	£540,388	£240,172	£3,000	£360,259	£6,544,697	**£6,544,697**
Phase 3													Phase 3
Demolition of two Blocks of the Falinge Flats acquisition costs assumed to be the same as for terraces - value goes to RBH													
	Flats	48	100%	48	48	£45,000	£2,160,000	£216,000	£96,000	£3,000	£144,000	£2,616,000	£2,616,000

RESIDENTIAL REFURBISHMENT(Scenario 2)

Block No.	Uses	Units	Refurbishment rate	Units to be refurbished	Cost per unit								TOTALS
Phase 1													Phase 1
Assumed refurbishment of 33% of remaining terraces over first two phases													
		1,481	17%	247	£20,000								**£4,936,871**
Phase 2													Phase 2
Assumed refurbishment of 33% of remaining terraces over first two phases													
	Houses	1,481	17%	247	£20,000								**£4,936,871**
Phase 3													Phase 3
	None												

6.1 Business Plan Spotland and Falinge

The table on the right page is based on an analysis of each of the commercial premises proposed for demolition in the area together with the costs of acquisition and relocation. The table below that assesses residential demolition. In the first phase this is confined to two blocks of flats. The main element of terraced demolition based on two scenarios in in Phase 2 with the long-term Phase 3 looks at more demolition of flats as part of the reconfiguration of the Falinge Flats. Because of the numbers of units in the area these costs are substantial.

The box below looks at other likely costs including other acquisitions and the costs of reopening Toad Lane and the boulevarding of St. Mary's Gate.

This creates development value of just under £6 Million and costs of between 36 and 42 Million. However these costs are largely associated with the work to the terraces, the remodelling of Falinge Flats and the Boulevarding of St. Mary's Gate. The creation of a site for new housing to the east of the flats creates only a small deficit and it is likely that with value engineering and a marginal increase in values this could be viable without HMR funds.

OTHER ACQUISITIONS

Block No.	Uses	Site Area in Hectares	Land Value	Estimated Cost of Acquisition
Phase 1				
13	S A Hostel	0.25	£1,111,905	£277,976
14	RSPCA	0.11	£1,111,905	£119,900
	Other acquisitions	0.50	£1,111,905	£555,953
An allowance for land not covered by industrial acquisitions				
Phase 2				
	Other acquisitions	0.35	£1,111,905	£389,167
An allowance for land not covered by industrial acquisitions				

INFRASTRUCTURE

Phase 1		
	Toad Lane	£500,000
	St. Mary's Gate	£2,000,000
Phase 2		
Phase 3		
	Falinge Flats restructuring	£4,000,000

TOTALS

	Commercial demolition	Residential demolition Scenario 1	Residential refurb Scenario 1	Residential demolition Scenario 2	Residential refurb Scenario 2	Other acquisitions	Infrastructure	TOTAL Scenario 1	TOTAL Scenario 2
Phase 1	£2,768,920	£1,744,000	£4,536,584	£1,744,000	£4,936,871	£953,829	£2,500,000	£12,503,334	£12,903,621
Phase 2	£3,762,546	£13,089,393	£4,536,584	£6,544,697	£4,936,871	£389,167	£4,000,000	£25,777,690	£19,633,281
Phase 3	£1,079,813	£2,616,000	£0	£2,616,000	£0	0	£0	£3,695,813	£3,695,813

COST / VALUES	Phase 1			Phase 2			Phase 3		
	Land (hectares)	Value / hectare	Total Value of land	Land (hectares)	Value / hectare	Total Value of land	Land (hectares)	Value / hectare	Total Value of land
Residential	2.15	£1,111,905	£2,395,043	0.72	£1,111,905	£798,348	0.72	£1,111,905	£798,348
Industrial		£432,419	£0		£432,419	£0		£432,419	£0
Commercial	0.21	£679,516	£142,698		£679,516	£0		£679,516	£0
Mixed use		£1,003,807	£0	0.88	£1,003,807	£883,350	0.88	£1,003,807	£883,350
TOTAL VALUE			**£2,537,742**			**£1,681,698**			**£1,681,698**
COSTS Sc1			£12,503,334			£25,777,690			£3,695,813
GAP			-£9,965,592			-£24,095,992			-£2,014,115
COSTS Sc1			£12,903,621			£19,633,281			£3,695,813
GAP			-£10,365,879			-£17,951,583			-£2,014,115

COMMERCIAL DEMOLITIONS

Block No.	Use	Footprint Area (sq m)	Floors	Floorspace of Properties to be Acquired (sq.m)	Floorspace Extinguished (1/3 of Acquisitions)	Floorspace Relocated (2/3 of Acquisitions)	Average Cost of Extinguishment (2 x Cost of Acquisition)	Total Cost of Extinguishment	Average Cost for Acquiring & Relocating Property *	Total Cost of Acquiring & Relocating Property	Demolition Remediation Costs (per hectare)	Cost of Demolition & Remediation (Assuming 80% building coverage)	Total Cost of Acquiring & Relocating Property and extinguising Businesses	TOTALS
Phase 1														Phase 1
1	works	802	1	802	267	535	£860	£229,852	£559	£298,808	£933,360	£59,870	£588,530	
4	works	163	1	163	54	109	£860	£46,724	£559	£60,741	£933,360	£12,170	£119,635	
5	works	196	1	196	65	131	£860	£56,227	£559	£73,095	£933,360	£14,646	£143,967	
5a	works	136	1	136	45	91	£860	£39,024	£559	£50,731	£933,360	£10,165	£99,920	£952,052
Phase 2														Phase 2
16	works	1,778	1	1,778	593	1,185	£860	£509,625	£559	£662,512	£933,360	£132,743	£1,304,880	
17	works	262	1	262	87	175	£860	£75,087	£559	£97,613	£933,360	£19,558	£192,257	£1,497,137
Phase 3														Phase 3
6	works	311	1	311	104	207	£860	£89,182	£559	£115,937	£933,360	£23,229	£228,348	
7	(2) light industries	769	1	769	256	513	£860	£220,513	£559	£286,666	£933,360	£57,437	£564,616	
8	Light industries	263	1	263	88	176	£860	£75,517	£559	£98,172	£933,360	£19,670	£193,358	
9	(4) works	727	1	727	242	484	£860	£208,324	£559	£270,821	£933,360	£54,263	£533,407	
10	warehouse	341	1	341	114	227	£860	£97,616	£559	£126,900	£933,360	£25,426	£249,942	
11	(5) light industries	1,345	1	1,345	448	896	£860	£385,423	£559	£501,050	£933,360	£100,392	£986,866	
12	works	266	1	266	89	177	£860	£76,282	£559	£99,167	£933,360	£19,869	£195,318	£2,951,856

RESIDENTIAL DEMOLITIONS (Scenario 1)

Block No.	Uses	Units	Demolition rate	No. of Properties to be Demolished	Less those already acquired	Acquisition Cost per Residential Unit	Acquisition Cost for Residential Stock	Home Loss Payments (10% of OMV)	Disturbance Payments (£2000 per property)	Service Disconnection, Demolition & Legal Fees £3,000 per unit	Cost of Service Disconnection, Demolition & Legal Fees	Total Cost for Acquiring & Demolishing Property	TOTALS
Phase 1													Phase 1
2	Houses	5	100%	5	5	£45,000	£225,000	£22,500	£10,000	£3,000	£15,000	**£272,500**	£272,500
Phase 2													Phase 2
170 properties in the area Scenario 2 assumes that a third of these will be demolished													
	Houses	170	100%	170	85	£45,000	£3,825,000	£382,500	£340,000	£3,000	£510,000	£5,057,500	**£5,057,500**
Phase 3													Phase 3
	None		100%	0	0	£45,000	£0	£0	£0	£3,000	£0	**£0**	£0

RESIDENTIAL REFURBISHMENT(Scenario 1)

Block No.	Uses	Units	Refurbishment rate	Units to be refurbished	Cost per unit							TOTALS
Phase 1												Phase 1
Assumed remedial works of £3K/property as holding works												
	Houses	170	100%	170	£3,000							**£510,000**
Phase 2												Phase 1
170 properties in the area Scenario 1 assumes 100% demolished												
	Houses	170	0%	0	£20,000							**£0**
Phase 3												Phase 1
	None											

RESIDENTIAL DEMOLITIONS (Scenario 2)

Block No.	Uses	Units	Demolition rate	No. of Properties to be Demolished	Less those already acquired	Acquisition Cost per Residential Unit	Acquisition Cost for Residential Stock	Home Loss Payments (10% of OMV)	Disturbance Payments (£2000 per property)	Service Disconnection, Demolition & Legal Fees £3,000 per unit	Cost of Service Disconnection, Demolition & Legal Fees	Total Cost for Acquiring & Demolishing Property	TOTALS
Phase 1													Phase 1
2	Houses	5	100%	5	5	£45,000	£225,000	£22,500	£10,000	£3,000	£15,000	£272,500	**£272,500**
Phase 2													Phase 2
170 properties in the area Scenario 2 assumes that a third of these will be demolished													
	Houses	170	33%	56	28	£45,000	£1,262,250	£126,225	£112,200	£3,000	£168,300	£1,668,975	**£1,668,975**
Phase 3													Phase 3
	None		100%	0	0	£45,000	£0	£0	£0	£3,000	£0	**£0**	**£0**

RESIDENTIAL REFURBISHMENT(Scenario 2)

Block No.	Uses	Units	Refurbishment rate	Units to be refurbished	Cost per unit							TOTALS
Phase 1												Phase 1
Assumed remedial works of £3K/property as holding works												
	Houses	170	100%	170	£3,000							**£510,000**
Phase 2												Phase 2
170 properties in the area Scenario 1 assumes 100% demolished												
	Houses	170	33%	56	£20,000							**£1,122,000**
Phase 3												Phase 3
	None											

6.2 Business Plan Sparth

Sparth is unlikely to be an early priority in the programme so that the business case has been put together to maximise the early imput with limited funds. The first phase of housing creates just over 200 units and yet requires very limited industrial relocation.

This allows the housing to be assessed in Phase 2 and the two scenarios look at both total and partial demolition, the former being the most expensive. However given that Phase 2 is at least five years away, a small provision is made in the first phase to maintain the condition of the stock.

The first phase includes about a third of the new business development to accommodate relocations from elsewhere in Rochdale. The balance of this is completed in Phase 2. Provision is made for the proposed new road and for servicing to the industrial space.

The plan shows costs in the first stage of around £5.6 million just over half of which can be offset against value created. The balance is justified because of the enabling value of accommodating industrial relocations. There is a bigger deficit in the second stage due largely to the costs of addressing the terraces. The final Phase is once more getting close to being self-funding particularly as values and the image of the area improves.

OTHER ACQUISITIONS

Block No.	Uses	Site Area in Hectares	Land Value	Estimated Cost of Acquisition
Phase 1				
	Land acquisitions	1.2925	£1,111,905	£1,437,137
An allowance for land not covered by industrial acquisitions				
Phase 2				
3	Community Centre	0.037	£1,111,905	£41,140

INFRASTRUCTURE

Phase 1				
	New commercial access	£1,500,000		
	Commercial servicing	£500,000		
	New residential access	£500,000		
Phase 2				
	Home Zoning	£400,000		

TOTAL COSTS

	Commercial demolition	Residential demolition Scenario 1	Residential refurb Scenario 1	Residential demolition Scenario 2	Residential refurb Scenario 2	Other acquisitions	Infrastructure	TOTAL Scenario 1	TOTAL Scenario 2
Phase 1	£952,052	£272,500	£510,000	£272,500	£510,000	£1,437,137	£2,500,000	£5,671,689	£5,671,689
Phase 2	£1,497,137	£5,057,500	£0	£1,668,975	£1,122,000	£41,140	£400,000	£6,995,777	£4,729,252
Phase 3	£2,951,856	£0	£0	£0	£0	0		£2,951,856	£2,951,856
TOTALS								£15,619,322	£13,352,797

COST / VALUES	Phase 1			Phase 2			Phase 3		
	Land (hectares)	Value / hectare	Total Value of land	Land (hectares)	Value / hectare	Total Value of land	Land (hectares)	Value / hectare	Total Value of land
Residential	1.72	£1,111,905	£1,916,183	1.29	£1,111,905	£1,437,137	2.15	£1,111,905	£2,395,229
Industrial	1.86	£432,419	£804,299	3.72	£432,419	£1,608,599		£432,419	£0
Commercial									
Mixed use									
TOTAL VALUE			**£2,720,482**			**£3,045,736**			**£2,395,229**
COSTS Sc1			£5,671,689			£6,995,777			£2,951,856
GAP			-£2,951,207			-£3,950,041			-£556,627
COSTS Sc1			£5,671,689			£4,729,252			£2,951,856
GAP			-£2,951,207			-£1,683,516			-£556,627

COMMERCIAL DEMOLITIONS

Block No.	Use	Footprint Area (sq m)	Floors	Floorspace of Properties to be Acquired (sq.m)	Floorspace Extinguished (1/3 of Acquisitions)	Floorspace Relocated (2/3 of Acquisitions)	Average Cost of Extinguishment (2 x Cost of Acquisition)	Total Cost of Extinguishment	Average Cost for Acquiring & Relocating Property *	Total Cost of Acquiring & Relocating Property	Demolition Remediation Costs (per hectare)	Cost of Demolition & Remediation (Assuming 80% building coverage)	Total Cost of Acquiring & Relocating Property and extinguising Businesses	TOTALS
Phase 1														Phase 1
17	garage	188.53	1	189	63	126	£860	£54,045	£559	£70,259	£933,360	£14,077	£138,381	
20	garage	646.69	1	647	216	431	£860	£185,384	£559	£241,000	£933,360	£48,288	£474,672	
22	(4 x) retail?	323.06	2	646	215	431	£860	£185,221	£559	£240,787	£933,360	£48,245	£474,253	
30	Wellfield Surgery	548.44	2	1,097	366	731	£860	£314,439	£559	£408,771	£933,360	£81,903	£805,112	
33	works	3220.42	2	6,441	2,147	4,294	£860	£1,846,374	£559	£2,400,286	£933,360	£480,930	£4,727,590	
34	works	412.68	2	825	275	550	£860	£236,603	£559	£307,584	£933,360	£61,629	£605,816	
35	works	2769.65	1	2,770	923	1,846	£860	£793,966	£559	£1,032,156	£933,360	£206,806	£2,032,929	
36	?	265.15	1	265	88	177	£860	£76,010	£559	£98,813	£933,360	£19,798	£194,621	
37	?	346.65	1	347	116	231	£860	£99,373	£559	£129,185	£933,360	£25,884	£254,442	
38	?	171.54	1	172	57	114	£860	£49,175	£559	£63,927	£933,360	£12,809	£125,911	
39	works	220.98	2	442	147	295	£860	£126,695	£559	£164,704	£933,360	£33,001	£324,400	
40	works	327.15	2	654	218	436	£860	£187,566	£559	£243,836	£933,360	£48,856	£480,258	
41	Bakery	518.64	2	1,037	346	692	£860	£297,354	£559	£386,560	£933,360	£77,452	£761,366	
42	Garage	1124.27	1	1,124	375	750	£860	£322,291	£559	£418,978	£933,360	£83,948	£825,217	
43	depot	1199.23	1	1,199	400	799	£860	£343,779	£559	£446,913	£933,360	£89,545	£880,237	
44	works	1242.12	1	1,242	414	828	£860	£356,074	£559	£462,897	£933,360	£92,748	£911,719	
45	works	2051.16	1	2,051	684	1,367	£860	£587,999	£559	£764,399	£933,360	£153,158	£1,505,556	
46	works	901.8	1.5	1,353	451	902	£860	£387,774	£559	£504,106	£933,360	£101,004	£992,885	
47	Approach estate works	179.6	2	359	120	239	£860	£102,971	£559	£133,862	£933,360	£26,821	£263,654	
48	Station business	253.4	2	507	169	338	£860	£145,283	£559	£188,867	£933,360	£37,842	£371,992	
49	depot	671.38	1	671	224	448	£860	£192,462	£559	£250,201	£933,360	£50,131	£492,794	
50	?	66.67	2	133	44	89	£860	£38,224	£559	£49,691	£933,360	£9,956	£97,872	
51	(4)?	695.62	1	696	232	464	£860	£199,411	£559	£259,234	£933,360	£51,941	£510,587	
52	?	143.9	2	288	96	192	£860	£82,503	£559	£107,253	£933,360	£21,490	£211,246	
53	(4) houses	269.58	2	539	180	359	£860	£154,559	£559	£200,927	£933,360	£40,258	£395,745	
56		216.31	2	433	144	288	£860	£124,018	£559	£161,223	£933,360	£32,303	£317,544	
57		191.41	2	383	128	255	£860	£109,742	£559	£142,664	£933,360	£28,585	£280,991	
58	(2) houses	142.01	2	284	95	189	£860	£81,419	£559	£105,845	£933,360	£21,207	£208,471	
59	works	3100.4	2	6,201	2,067	4,134	£860	£1,777,563	£559	£2,310,831	£933,360	£463,006	£4,551,400	£24,217,659
Phase 2														Phase 2
9	works	387.52	1	388	129	258	£860	£111,089	£559	£144,416	£933,360	£28,936	£284,441	
10	works	161.36	1	161	54	108	£860	£46,257	£559	£60,133	£933,360	£12,049	£118,439	
11	works	693.08	1	693	231	462	£860	£198,683	£559	£258,288	£933,360	£51,751	£508,722	
12	works	514.62	1	515	172	343	£860	£147,524	£559	£191,782	£933,360	£38,426	£377,732	
13	works	874.43	1	874	291	583	£860	£250,670	£559	£325,871	£933,360	£65,293	£641,833	
14	bakery	1314.06	1	1,314	438	876	£860	£376,697	£559	£489,706	£933,360	£98,119	£964,523	
15	works	2713.78	1	2,714	905	1,809	£860	£777,950	£559	£1,011,335	£933,360	£202,635	£1,991,920	
16	?	712.01	1	712	237	475	£860	£204,110	£559	£265,342	£933,360	£53,165	£522,617	
18	depot	135.8	1	136	45	91	£860	£38,929	£559	£50,608	£933,360	£10,140	£99,677	
21	depot	1638.59	1	1,639	546	1,092	£860	£469,729	£559	£610,648	£933,360	£122,352	£1,202,729	
23	(5 x)?	450	1	450	150	300	£860	£129,000	£559	£167,700	£933,360	£33,601	£330,301	
24	works	452.39	1	452	151	302	£860	£129,685	£559	£168,591	£933,360	£33,779	£332,055	
25	(4 x)?	401.79	1	402	134	268	£860	£115,180	£559	£149,734	£933,360	£30,001	£294,915	
26	works	202.95	1	203	68	135	£860	£58,179	£559	£75,633	£933,360	£15,154	£148,966	
27	works	1164.64	1	1,165	388	776	£860	£333,863	£559	£434,023	£933,360	£86,962	£854,848	
28	works	941.55	1	942	314	628	£860	£269,911	£559	£350,884	£933,360	£70,304	£691,100	
29	?	798.26	1	798	266	532	£860	£228,835	£559	£297,485	£933,360	£59,605	£585,925	
31	'	120.27	1	120	40	80	£860	£34,477	£559	£44,821	£933,360	£8,980	£88,278	£10,039,021
Phase 3														Phase 3
Oldham Road Industrial estate														
	Industrial estate	10,600	1	10,600	3,533	7,067	£860	£3,038,667	£559	£3,960,267	£933,360	£791,489	£7,780,423	£7,780,423

RESIDENTIAL DEMOLITIONS (Scenario 1)

Block No.	Uses	Units	Demolition rate	No. of Properties to be Demolished	Less those already acquired	Acquisition Cost per Residential Unit	Acquisition Cost for Residential Stock	Home Loss Payments (10% of OMV)	Disturbance Payments (£2000 per property)	Service Disconnection, Demolition & Legal Fees £3,000 per unit	Cost of Service Disconnection, Demolition & Legal Fees	Total Cost for Acquiring & Demolishing Property	TOTALS
Phase 1													Phase 1
Planned demolition by the Guinness Trust (no cost to HMR)													
	Guinness flats	112											
Phase 2													Phase 3
2,983 properties in the area of which 47% are terraces - Scenario 1 assumes that a third of these will be demolished													
	Terraces	1,402	33%	467	374	£45,000	£21,030,129	£2,103,013	£934,672	£3,000	£1,402,009	£25,469,823	£25,469,823
Phase 3													Phase 3
	None		100%	0	0	£45,000	£0	£0	£0	£3,000	£0	£0	£0

RESIDENTIAL REFURBISHMENT(Scenario 1)

Block No.	Uses	Units	Refurbishment rate	Units to be refurbished	Cost per unit								TOTALS
Phase 1													Phase 1
Assumed refurbishment of 33% of remaining terraces over first two phases													
		936	17%	156	£20,000								£3,115,576
Phase 2													Phase 2
Assumed refurbishment of 33% of remaining terraces over first two phases													
	Houses	935	17%	156	£20,000								£3,115,576
Phase 3													Phase 3
	None												

RESIDENTIAL DEMOLITIONS (Scenario 2)

Block No.	Uses	Units	Demolition rate	No. of Properties to be Demolished	Less those already acquired	Acquisition Cost per Residential Unit	Acquisition Cost for Residential Stock	Home Loss Payments (10% of OMV)	Disturbance Payments (£2000 per property)	Service Disconnection, Demolition & Legal Fees £3,000 per unit	Cost of Service Disconnection, Demolition & Legal Fees	Total Cost for Acquiring & Demolishing Property	TOTALS
Phase 1													Phase 1
Planned demolition by the Guinness Trust (no cost to HMR)													
	Guinness flats	112											
Phase 2													Phase 2
2,983 properties in the area of which 47% are terraces - Scenario 1 assumes that a third of these will be demolished													
	Terraces	1,402	20%	280	224	£45,000	£12,618,090	£1,261,809	£560,804	£3,000	£841,206	£15,281,909	£15,281,909
Phase 3													Phase 3
	None		100%	0	0	£45,000	£0	£0	£0	£3,000	£0	£0	£0

RESIDENTIAL REFURBISHMENT(Scenario 2)

Block No.	Uses	Units	Refurbishment rate	Units to be refurbished	Cost per unit								TOTALS
Phase 1													Phase 1
Assumed refurbishment of 33% of remaining terraces over first two phases													
		1,122	17%	187	£20,000								£3,738,690
Phase 2													Phase 2
Assumed refurbishment of 33% of remaining terraces over first two phases													
	Houses	1,122	17%	187	£20,000								£3,738,690
Phase 3													Phase 3
	None												

urbed

6.3 Business Plan Milkstone, Deeplish and Newbold

These neighbourhoods have been considered together because they are linked by the comprehensive development area on the Oldham Road. This is the largest new-build opportunity and the site assembly costs are substantial at around £25 Million for Phase 1.

There are also considerable costs associated with the terarced areas. We have reduced the assumptions for demolition but the costs still amount to £15-25 Million and it is likely that refurbishment and environmental works will be a better alternative. Provision is also made for extensive Home Zoning and improvements to the canalside and open space along the canal in Deeplish.

The new housing development does however create significant values that partly offsets these costs and, as with the other schemes this deficit decreases by the time we get to Phase 3 even before factoring in assumptions about increasing values.

OTHER ACQUISITIONS

Block No.	Uses	Site Area in Hectares	Land Value	Estimated Cost of Acquisition
Phase 1				
54-55	Sparrow Hill School	0.34	£1,111,905	£378,048
	Land acquisitions	2	£1,111,905	£2,223,810
An allowance for land not covered by industrial acquisitions				
Phase 2				
3	Queensway Neighbourhood Centre	0.67871429	£1,111,905	£754,666
	Land acquisitions	1	£1,111,905	£1,111,905
An allowance for land not covered by industrial acquisitions				

INFRASTRUCTURE

Phase 1		
	Canalside public realm	£1,500,000
Phase 2		
	Environmental works Canal Par	£1,000,000
	Home Zoning	£2,000,000

TOTALS

	Commercial demolition	Residential demolition Scenario 1	Residential refurb Scenario 1	Residential demolition Scenario 2	Residential refurb Scenario 2	Other acquisitions	Infrastructure	TOTAL Scenario 1	TOTAL Scenario 2
Phase 1	£24,217,659	£0	£3,115,576	£0	£3,738,690	£2,601,858	£1,500,000	£31,435,093	£32,058,206
Phase 2	£10,039,021	£25,469,823	£3,115,576	£15,281,909	£3,738,690	£1,866,571	£3,000,000	£43,490,990	£33,926,190
Phase 3	£7,780,423	£0	£0	£0	£0	0		£7,780,423	£7,780,423

COST / VALUES	Phase 1			Phase 2			Phase 3		
	Land (hectares)	Value / hectare	Total Value of land	Land (hectares)	Value / hectare	Total Value of land	Land (hectares)	Value / hectare	Total Value of land
Residential	5.42	£1,111,905	£6,024,301	6.62	£1,111,905	£7,363,035	4.00	£1,111,905	£4,447,620
Industrial	0.00	£432,419	£0	0.00	£432,419	£0	0.00	£432,419	£0
Commercial	1.60	£679,516	£1,087,226	0.00	£679,516	£0		£679,516	£0
Mixed use	1.38	£1,003,807	£1,385,254	0	£1,003,807	£0	0.5	£1,003,807	£501,904
TOTAL VALUE			**£8,496,781**			**£7,363,035**			**£4,949,524**
COSTS Sc1			£31,435,093			£43,490,990			£7,780,423
GAP			-£22,938,312			-£36,127,956			-£2,830,899
COSTS Sc1			£32,058,206			£33,926,190			£7,780,423
GAP			-£23,561,426			-£26,563,155			-£2,830,899

7. Conclusion

In which we describe the way in which this strategy takes forward the borough renaissance masterplan.

The Rochdale Borough Renaissance Masterplan is based on 7 key topics. These have been the starting point for the strategic framework set out in this report. We deal with each of the topics below:

Sustainable neighbourhoods: This is perhaps the most relevant of the topics. The borough masterplan sets out a series of policies to concentrate development within existing urban areas at higher densities to consolidate existing communities. It identifies four types of area; town centres, inner urban areas (that cover much of the five neighbourhoods, suburban and urban fringe areas and large social housing estates (which includes Kirkholt).

In the inner areas the plan envisages a greater intensity of housing on the edge of town centres and along transport corridors. It sees a continuing role for terraces but envisages small scale clearance to increase the variety of housing and tenures. It recommends a spatial strategy for the inner ring which is what we we will be doing as part of this exercise.

For social housing areas the masterplan proposes investment to diversify the housing stock, improve connections and the quality of the public realm which, again are entirely consistent with these recommendations.

21st century employment sites: The masterplan identifies that the borough needs to diversify its economy by capitalising on knowledge economies and taking advantage of the growth of Manchester. It promotes a series of sites for new business investment

including Kingsway as well as sites in town centres and on motorway junctions. It also proposes the consolidation of older industrial areas and the opening up of valleys through the relocation of industrial uses. This again is entirely in line with our proposals.

Thriving town centres: The masterplan sees town centres as drivers for urban renaissance and proposes in particular improvements to Rochdale town centre to capitalise on the proposed expansion of the Wheatsheaf Centre, the development of a new bus station and the possible arrival of Merolink. The area on Drake Street and Maclure Road are crucial to this strategy and will be taken forward by the proposals in this report by introducing a range of mixed use and residential development on the fringe of the centre.

Environmental assets: In part the masterplan focuses on the tremendous environmental assets of the borough and their importance to quality of life. More relevant to Inner Rochdale are the proposals for green corridors and river valleys that can penetrate into the heart of the town. This is being picked up as part of the open space strategy as part of the spatial framework.

Gateways and corridors: The renaissance masterplan identifies a series of gateways and corridors that need to be improved to change perceptions of the borough. In the Inner Rochdale area they identify the station along with the Oldham Road, Whitworth Road, Manchester Road and St. Mary's Gate corridors. These correspond with the gateways and corridors identified in the spatial strategy and are being pursued together with the consultants appointed to develop this strategy.

Sustainable transport: The masterplan focuses on access to the borough by motorway, rail, tram and bus. The spatial strategy picks up on this by emphasising improvements to the station area and the importance of bus routes to link the neighbourhoods together and allow their residents access to jobs and facilities.

Design and image: Finally the masterplan emphasises the importance of quality design at a time when a huge amount of development is planned. It sets out a series of design principles and promotes an innovative approach to design as demonstrated by the East Central Rochdale HMR proposals. This is something we will be taking forward in the next stage of the project.