



**LOCAL
PARTNERSHIPS**

STOKE-ON-TRENT CITY COUNCIL

West Midlands Property Alliance

Using assets for growth



Introduction

1.1 Background

Actions taken up to 2003/4 by the Coalville community partnership with funding from the Coalfields Regeneration Initiative plus additional support from two Registered Providers (Riverside and Staffordshire Housing Associations) and the HCA were opportunistic, based on buying up individual properties from private landlords willing to sell for improvement by RP landlords.



Whilst this approach removed some of the very worst stock - values for properties acquired from private landlords were significantly below £10,000 each – it was not a comprehensive solution. It became increasingly recognised that this approach would not tackle the problems of the area in full. Insufficient funding had been identified to tackle all the unimproved houses on the estate and many landlords were reluctant to sell homes at market value.

The History of Coalville

1954: 400 pre-fabricated homes were built for incoming Staffordshire coalfield miners, all of which were found to be of defective concrete construction and became un-mortgageable.

1980: the coal industry contracted and the National Coal Board sought to dispose of its assets so many of the homes were bought at low prices by private landlords. 1990s/2000s: Little or no maintenance was done on any of the properties and around 80 were re-acquired by the City Council. 30 were refurbished with support from the Housing Corporation and 50 or so demolished.

2003: 350 were homes still standing; approximately 100 were owned by private landlords of which 20-25 were empty; around 220 were lived in by owner occupiers and 30 occupied by social tenants. Almost 100% of the private tenants were either retired or unemployed and claiming housing benefit

Defining a radical new direction

A master plan proposing radical remodelling of Coalville was originally commissioned by the Coalville Community Partnership, which was the subject of extensive community consultation. The masterplan which was eventually implemented took out the central core of the estate, whilst retaining some of the outer streets where around 90% of the homes had benefited from previous pepper-potted refurbishment programmes.

This approach has delivered the acquisition and demolition of a further 200 dwellings and will eventually deliver a total of 276 new build dwellings over four phases, providing a range of tenures plus support to refurbish 12 or so properties outside the clearance zone. The redevelopment is being undertaken by Compendium – a joint venture between Riverside and Lovell.

A blend of public and private sector funding has been achieved comprising £11m HMRI funds for land assembly and developer support, including acquisitions, demolitions and gap funding, HCA and Registered Provider investment of £4m and private sector investment totalling £35m.

Ensuring local community support

An open and transparent consultation partnership comprising the developers, housing association, residents, the Council, police and fire service has been an essential feature in winning and sustaining local support for this radical programme over a period of years.

There are real benefits to be derived from involvement by private investors/ developers in the master planning process at an earliest stage.

The original masterplan assumed ambitious plans to reconfigure all the roads and infrastructure across the entire estate. The Coalville regeneration programme was subsequently absorbed in to the Housing Market Renewal Initiative (HMRI) for



North Staffordshire and at this point the masterplan was deemed not to be viable based on grant alone. In order to attract the significant private sector contribution to be commercially viable, the HMRI programme appointed a joint venture developer, Compendium Living (partnership of Riverside and developer Lovell) to lead the regeneration of the estate.

Compendium Living revisited the masterplan to produce a viable scheme, based on a the grant available. The replacement plan retained key aspects of pre-existing infrastructure, such as estate roads, thereby safeguarding project viability. However, this change of plan necessitated further consultation to manage and adjust resident expectations, which delayed the construction programme. It is a testimony to those leading this engagement at the Council and their selected developer partners that community support was sustained in the face of a quite different set of physical proposals.

Over the lifetime of the programme the percentage and type of affordable homes was not prescribed by planning permissions at the outset of each phase but was a reflection of the pattern of demand and the financial means of households visiting the on-site sales office. Early phases were dominated by low cost tenure models. The last phase of building comprises all open market sale homes, reflecting the transformation in perception and demand which has taken place. This responsive approach to tenure flexibility was supported by the HCA and by Council Planners and was key to enabling a new market to be created. This was commended by the Audit Commission in its review of the North Staffordshire Pathfinder.

An on-site sales cabin handled all tenure enquires as the single front of house project office. Each visitor was welcomed in exactly the same manner whether they were prospective owner-occupiers, shared-ownership buyers or future Housing Association tenants.

The rehousing programme enabled long-standing residents of Coalville to stay in their neighbourhood. Existing resident decant was the priority for the first phases of new build. The consistent support of this group of residents who have had to suffer the greatest disruption to their lives has underpinned the project's success.

Managing compulsory purchase

Early years public funding support locked into the current development programme was an essential pre-requisite to securing the commitment of the private sector partners, as was the willingness of the Stoke-on-Trent City Council to mobilise its CPO powers.

Building new units early and close joint working on the rehousing programme, enabled the Council to minimise objections to the CPO. Households which were subject to CPO were able to visit the show homes before agreeing compensation terms and this helped to increase their support for the programme. Early phase public funds took the form of equity shares which varied in extent according to the means of the purchasers and were directly linked to the compensation packages agreed with those households ear-marked for rehousing.

Maintaining momentum through an economic crisis

Delivery of the 4 phase programme spanned the 2008 banking crisis and subsequent housing market collapse. The public and private sector partners continued to show real commitment to sustain continuation of the programme



despite market difficulties and grant funding cuts. The delivery partner's confidence was underpinned by the underlying inherent qualities of the location, adjacent to beautiful open countryside and the favoured housing market of Caverswall. It was also founded on a determination to make good on promises made to the local community who, despite set-backs and changes of direction, continued to give their support to the radical transformation of their estate.

Good schools make great housing markets

A key asset of Coalville was and is the Beacon status Western Coyney Infants School, whose presence has helped to drive demand for new build homes on the estate, acting as a springboard to repositioning the reputation of this community across Stoke. Delivery of the estate renewal programme has transformed the reputation of the estate from a largely undesirable low demand location to a popular housing suburb.

House prices have increased from almost £0 in the early 2000's to a new build three bedroomed detached home being marketed at £175,000.

1.2 The future

A Registered Provider will be in place to protect and provide future planned programmes of maintenance and sustain resident relationships. This long term approach to estate management will be designed to protect the quality of the environment and homes, maintaining newly established local pride.

Completion of the final phase of build will be dominated by private for sale units reflecting new patterns of local demand which have evolved from social and sub-market rent to owner occupation.



2. Education

2.1 Background

Rebuilding the schools' estate is part of the Council's flagship regeneration programme that puts transformation of the prospects for young people at the heart of the city's Mandate for Change. There are 18 schools in the Building Schools for the Future programme and all will have been completed by 2015. This has necessitated a city-wide reorganisation of the secondary and special school estate.

The total lifetime cost of the programme will be £270m which includes not only construction elements but also delivery of a linked ICT strategy. The principal funding sources include Education Funding Agency Grant (£200m) and Stoke on Trent City Council supported borrowings (£61m).

The programme delivery partnership comprised Stoke City Council with two Design & Build contractors Thomas Vale/Wates (now part of the Bouygues Group) and Balfour Beatty.

2.2 Exceptional characteristics

A key part of the initiative has been to ensure that schools develop a sustainable ICT strategy focused on improving teaching and learning. A budget of £1,450 per pupil (over five years) has been allocated for the delivery of managed ICT services in Stoke's schools. Schools are now working together to share ideas and practical experiences in using technologies such as ipads, smart TVs, biometrics to support not only anytime anywhere learning, but also school systems such as registration, security, "follow me" printing and cashless catering. This initiative which is keyed into the BSF programme has extended to include 75 primary schools across the city.

Integral to the programme, the relocation of 7 High Schools across the city brought about a radial readjustment in patterns of demand for school places, moving away from entrenched perceptions.

Stimulated by high quality learning environments, Stoke-on-Trent is now the sixth most improved out of 151 authorities for achievement in five or more A*-C grades including English and Maths. The number of schools and settings judged 'outstanding' or 'good' has increased and primary school absence in the city has reached its lowest ever rate. None of the schools run by Stoke-on-Trent City Council are judged to be failing by Ofsted inspectors. This achievement is rare for any education authority in the country.

Since 2009 the city's performance in key GCSE targets has improved overall by 3%, bringing the city closer to achieving and ultimately exceeding the national average. Stoke City Council highlights the fantastic achievements of students at two of the city's new academies (OSSMA and Horizon), which appeared in the top ten most improved schools nationally in 2012.

The Ormiston Sir Stanley Matthews Academy has joined with Stoke City FC to provide a Football Academy and the school educates young members of the football club, often from overseas. The stunning quality of the building has brought about a transformation within this local community.



2.3 Lessons learned

Education ambitions have been placed at the heart of the Council's corporate plan, Mandate for Change, which promotes the city to outside investors as well as developing existing business and jobs. In conjunction with BSF, Stoke has developed ambitions for a University Quarter which will be a learning campus in the heart of the city. Staffordshire University, Stoke on Trent Council and the City of Stoke Sixth Form College have worked together to develop plans for the integrated UniQ and already £110m has been committed over the past 4 years. The BSF programme has had the effect of raising ambitions for the whole education offer of the city. So far, UniQ includes a new Stoke on Trent College lifestyle building for 600 health and social care students, a new Sixth Form college building and Staffordshire University's new Science Centre alongside a new £20m Academy school. UniQ is designed to reinforce a message about progression and opportunity for local people in this high profile, visible location.

It has been possible to ensure that the BSF programme makes a positive contribution to the local economy. Individual projects are achieving local spend of between 40-55% - well above the national average. So far, about £75m has gone into the employment of local companies, local labour and buying local materials. Besides this, to date a total of 44 apprentices have been appointed by BSF contractors and their supply chains.

At Holden Lane High School, Balfour Beatty has used leading edge Building Information Modelling (BIM) to create a fully collaborated 3D model of the M&E (mechanical and electrical) systems enabling all construction partners to fully comprehend and visualise the complexity in construction sequencing and methodology resulting in significant savings in cost, materials and waste. This is one illustration of ways in which partners in the BSF schools programme challenged themselves to reach new standards and work in new ways.

2.4 The future

One key ambition is for Stoke to cease to be a net exporter of pupils with spare capacity within the secondary estate. The city's plans extend to housing growth and development with demand for new homes in part driven by the improving reputation of its schools.

By the end of the BSF programme, it is expected that at least another £25m will have been invested in the local economy. Stoke-on-Trent's schools are being built largely by Stoke-on-Trent people, for Stoke-on-Trent people. Post-BSF the city intends to maintain and develop the contractor relationships that have now been established through the Make It Construction network that will cover Stoke-on-Trent and North Staffordshire.

All BSF schools will develop community use agreements to ensure that their new facilities (sports, arts/drama etc) will be available for use by the local community after hours.



3. Housing renewal

3.1 Background

In response to the need to attract incoming miners to exploit the Staffordshire coalfield, the National Coal Board (NCB) provided over 400 pre-fabricated homes to the south-east of Stoke on Trent, all of which were constructed within one year, 1954. The Coalville village homes were subsequently found to be of defective concrete construction and became un-mortgageable so, as the local coal industry contracted during the 1980's and the NCB sought to dispose of its assets, many of the homes were bought at very low prices by private landlords who then undertook little or no maintenance. Around 80 of these homes were re-acquired by the City Council in the late 1990's /early 2000's, 30 of which were refurbished with support from the Housing Corporation and 50 or so demolished.

By 2003 there were some 350 homes still standing, approximately 100 owned by private landlords, albeit a substantial proportion (20-25%) were empty at any point in time. Around 220 were lived in by owner occupiers and 30 occupied by social tenants. Almost 100% of the private tenants were either retired or unemployed and claiming housing benefit. The poor condition of properties had given the estate an appearance of deprivation and neglect with incidences of crime and anti-social behaviour increasing.

Actions taken up to 2003/4 by the Coalville community partnership with funding from the Coalfields Regeneration Initiative plus additional support from the RSL (Riverside) and Housing Corporation were opportunistic, based on buying up individual properties from private landlords willing to sell for improvement by RSL landlords. Whilst this approach removed some of the very worst stock (values for properties acquired from private landlords were significantly below £10,000 each), it was not a comprehensive solution. It became increasingly recognised that this approach would not tackle the problems of the area in full. Insufficient funding had been identified to tackle all the unimproved houses on the estate and many landlords were reluctant to sell homes at market value.

Radical remodelling of Coalville was proposed as part of the Housing Market Renewal Programme (HMRI). Stoke Council supported this intervention including by using its CPO powers. The masterplan proposals effectively took out the central "core" of the estate, whilst retaining some of the outer streets where around 90% of the homes had benefited from previous pepper-potted refurbishment programmes. This approach has delivered the acquisition and demolition of a further 200 dwellings and will eventually deliver a total of 276 new build dwellings over four phases, providing a range of tenures plus support to refurbish 12 or so properties outside the clearance zone. The redevelopment is being undertaken by Compendium – a joint venture between Riverside and Lovell.

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3.2 Exceptional characteristics

Delivery of the 4 phase programme spanned the 2008 banking crisis and subsequent housing market collapse. The public and private sector partners continued to show real commitment to sustain continuation of the programme despite market difficulties and grant funding cuts. The partner's confidence was underpinned by the underlying inherent qualities of the location, adjacent to beautiful open countryside and the favoured housing market of Caverswall, as well as a determination to make good on promises made to the local community who had given their support to the radical transformation of their estate.

A key asset of Coalville was and is the Beacon status Western Coyney Infants School, whose presence has helped to drive demand for new build homes on the estate, acting as a springboard to repositioning the reputation of this community across wider Stoke. Delivery of the programme has transformed the reputation of the estate from a largely undesirable low demand location to a popular housing suburb.

House prices have increased from almost £0 in the early 2000's to a new build three bedroomed detached home being currently marketed at £175,000.

3.3 Lessons learned

There are real benefits to be derived from involvement by private investors/ developers in the master planning process at an earliest stage. At Coalville, the first HMRI masterplan which had been the subject of extensive community consultation was deemed not to be viable by the subsequently appointed joint developers, as it assumed ambitious plans to reconfigure all the roads and infrastructure. The replacement plan retained key aspects of infrastructure, such as estate roads, thereby preserving affordability. However, this change of plan necessitated a further programme of consultation to manage and adjust resident expectations. This delayed the construction programme.

An open and transparent consultation partnership comprising the developers, housing association, residents, the Council, police and fire service was an essential feature in winning and sustaining local support for this radical programme over a period of years.

During the current 4 phase programme, the percentage and type of affordable homes was not prescribed by planning permissions at the outset of each phase but was a reflection of the pattern of demand and the financial means of households visiting the on-site show cabin. This tenure flexibility which was supported by the HCA and by Council Planners was key to enabling a new market to be created. This approach was commended by the Audit Commission in its review of the North Staffordshire Pathfinder.

An on-site sales cabin handled all tenure enquires as the single front of house project office. Each potential new resident was welcomed in exactly the same manner whether they were prospective owner-occupiers, shared-ownership buyers or future Housing Association tenants.

Early build of new units and close joint working on the rehousing programme, enabled the partners to minimise objections to the CPO. Households which were subject to CPO were able to visit the show homes before agreeing compensation terms and this helped to increase their support for the programme.



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4. City centre regeneration

4.1 Background

Analysis of the city's economy has found an underperforming city centre in Hanley, both in terms of the retail offer, 73rd in the ranking of city centre retail across the UK, and the lack of a business district accommodating higher earning employees.

The Council realises that a thriving city centre is central to its ambition and took the decision in 2012 to relocate its main office operation from Stoke to Hanley city centre to anchor the development of two office buildings, undertaken by its development partner Genr8.

4.2 Smithfield

The flagship project has been named Smithfield. The City Council, which appointed Genr8 to deliver a new business district in the heart of the city, is set to move into the first two buildings – 1 and 2 Smithfield – in early 2015. Part of the site was originally owned by the Council which then worked with HCA and the former RDA, Advantage West Midlands, to assemble the land that forms the site.

Working with leading property experts Jones Lang Lasalle, Genr8 is promoting the wider 1.2 million square feet Smithfield development to investors. The site will consist of offices, hotel, retail and leisure, and more than three acres of public space, redefining Stoke-on-Trent's city centre. Laing O'Rourke is starting construction works on site this month.

Cllr Mohammed Pervez, Leader of Stoke-on-Trent City Council, said,

"Smithfield is at the heart of our Mandate for Change programme, creating the right conditions that make our city one of the best places to bring business and investment. The ultimate aim is to create more jobs for local people. If Stoke-on-Trent is to become a vibrant, modern city, it needs a thriving centre with shops, entertainment and office space that offers quality jobs for residents and a welcoming venue for shoppers and visitors. The city council has shown great commitment to Smithfield, taking significant space that will build confidence in the scheme and encourage investment. This is a long-term project and in time, a thriving city centre will support the wider regeneration of the whole of Stoke-on-Trent. It has the potential to add millions of pounds each year to the local economy, creating 4,500 jobs - and alongside our new bus station and improved public realm, will revitalise the heart of the city."

Smithfield will be marketed to international occupiers as well as local businesses, promoting the city's strategic location between Manchester and Birmingham, and less than an hour and 20 minutes by train from London.

4.3 City centre bus station and spine

A city centre spine of development opportunity has been identified running from the West Coast mainline railway station to the city centre. Successful regeneration of this City Centre Spine will support a wide range of objectives, including strengthening Stoke-on-Trent as a university city.

Council projects include the development of a new bus station at a cost of £15m, which was fully funded by the Council. It was opened in March 2013 and designed



by award-winning architects Grimshaw to be an important arrival point to the city centre. The 22 stand new bus station will help to redefine Stoke-on-Trent and encourage more people to travel to the city centre by public transport. The whole area is surrounded by improved public realm and a new car parking strategy and promotion of public transport will help to reduce the impact of traffic on the improved city centre.

4.4 Hanley Main Post Office

The Council acquired the main Post Office in Hanley when it became surplus. It is being brought back to use as retail premises providing training opportunities for a national retail training partnership. The upper floors will be converted to a training centre for the Princes Trust. While low rents will be charged at the outset, they are set to increase over time, so supporting the regeneration of the city centre.

The funding for the project was shared between the Council, £700K and the Princes trust, £100K.

4.5 Future ambitions

The regeneration of the city centre will be furthered by Staffordshire University's decision to deliver the majority of its courses from one main campus in Stoke-on-Trent. The decision was reached after consideration of the future of the University's estate, which is currently divided between Stafford and Stoke-on-Trent.

It follows an extensive period of consultation which has included staff, students, education and local authority partners and the business community. It also takes account of an audit of the University's teaching accommodation which has determined that the average room use is far lower than in comparative universities.

Vice-Chancellor Professor Michael Gunn said: "It makes economic sense and will enable us to give our students the best possible student experience. Competition in the University sector has never been higher and we need to put ourselves in the best possible position to attract students to our excellent courses."

Although timescales are still to be determined, the University will be looking to vacate its Beaconside campus by 2016 at the latest and move all computing and entertainment technology degrees to its Stoke-on-Trent campus. The University will now embark on a Masterplanning phase which will determine timescales for the move and the investment required in Stoke-on-Trent so that the campus can comfortably accommodate more students.

In addition Stoke is lobbying strongly for the 'Stoke route' for HS2 which could accelerate the project and reduce costs.

4.6 Conclusion

Stoke's bold decision to move its main office accommodation to bring footfall to the developing Hanley city centre and to anchor the office development demonstrates how a council can use its widest resource base to support its objectives. The associated work to the bus station and city centre spine, along with the recent news that Staffordshire University will relocate many of its teaching facilities there, contribute to the attractiveness and connectivity of the city centre and increase chances of success.

5. Conclusions

5.1 Strengths

Stoke holds significant numbers of assets. It is taking a strategic approach to rationalising these assets while ensuring that those it retains are delivering maximum value to the Council's Mandate for Change.

It is investing in housing, a revitalised central business district, promoting small and medium sized enterprises through Enterprise Units and taking an increasingly commercial approach to its commercial portfolio. The Council is demonstrating commitment to these projects by investing directly through reserves and borrowing where it has seen that the private sector is not coming forward spontaneously. These projects will lead directly to increased jobs in Stoke.

It is committed to an ambitious and radical vision for Stoke based on the location of an HS2 railway station in Stoke, which, if realised, will be a game-changing project. It is working hard with partners in the LEP and through its City Deal to secure this investment and demonstrate its capability to deliver the vision.

5.2 Areas for improvement

Working with the rest of the public sector is in early days, but good relationships have been established and the locality based approach to asset rationalisation is bringing up opportunities to co-locate and share across the estate.

Longer term financial planning based on recycling investment designed to produce growth is in its infancy. The success of current projects will lead to an increased confidence in the area that is already beginning to be demonstrated in increased values achieved for land sales.

5.3 Sharing ideas

Stoke is already working closely with CIPFA to share best practice and comparing notes with Sheffield and other local authorities. They are happy to continue to share best practice both amongst West Midlands authorities and nationally.



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