## CHESHIRE EAST COUNCIL

## **REPORT TO: Portfolio Holder Housing and Jobs**

Date of Meeting: 28th July 2014

**Report of:** Strategic Housing Manager

Subject/Title: Macclesfield Town Centre Housing Strategy

Portfolio Holder: Councillor Don Stockton: Portfolio Holder for Housing, Planning,

Economic Development, and Regeneration.

## 1. Report Summary

- 1.1 Members of the Macclesfield "In Town Living project" are currently working together to develop a Macclesfield Town Centre Housing Strategy with the aim of articulating their vision which is to "bring empty or under-utilised properties back into a useable condition and to stimulate interest to support a rejuvenated town centre"
- 1.2 The Macclesfield Town Centre Housing Strategy has been created as a complementary document to support the Macclesfield Town Centre Plan. The strategy sets out how Housing can play its part in the regeneration through encouraging people to move into the town centre (In-Town Living) by bringing underutilised properties back into use and / or assisting in the conversion of commercial properties into residential use. This will all be accomplished by taking a strategic partnership approach working across private and public sector organisations. In-Town Living scheme generally are pilots, which if successful can be replicated in other areas across the borough.
- 1.3 There strategy highlights a wide range of evidence and research on which our Strategic approach has been formulated, including the national picture of the state of Britain's Town Centres, reflecting the local position in Macclesfield. The strategy outlines the housing need within the area, drawing on evidence for social and private rented accommodation.
- 1.4 The way in which the aims of the strategy will be achieved are captured within our Strategic approach and include:
  - Conducting research to identify suitable empty or underutilised commercial / residential properties and ascertain the barriers to bringing property back into use,
  - Actively engage with owners of empty / underutilised premises to bring them back into a useable state either as fully residential or a mixture of residential / commercial utilising currently available options and stimulate interest in further projects,

- Assist registered providers to deliver 4 initial units of Affordable Housing in town centre,
- Explore and attract further funding opportunities:
  - -Showcasing the successful projects already undertaken in order to stimulate interest from Institutional Investors.

#### 2. Recommendations

#### 2.1 It is recommended that:

The draft Macclesfield Town Centre Housing Strategy and its preliminary findings are noted.

Officers are approved to publically consult on the attached strategy draft for a 4 week period, before incorporating the responses into the finalised strategy.

#### 3. Reasons for Recommendations

- **3.1** Finalising the Macclesfield Town Centre Housing Strategy will be the catalyst enabling the Council to:
  - Articulate the vision, aims and objectives of the In Town Living project, demonstrating how housing can play a part in the regeneration of Macclesfield.
  - Map the current empty or underutilised residential and commercial properties within the identified area in order to identify owners and try to work with them to bring the properties back into use. Empty properties are a wasted commodity and in an area where there is high housing need for both affordable and private rented accommodation we need to find innovative solutions to bring them back into use.
  - Realise Outcome 5 of the Council's Three Year Plan: *People Live Well and For Longer*.
  - Realise Priority 5 of the Council's Three Year Plan: Securing housing that is locally-led, community-based, and meets local needs.
- **3.2** Public consultation is required to:

- Ensure that the findings and priorities identified within the Strategy are representative of the views of affected constituents and wider stakeholders.
- Ensure that the Council is transparent and participatory in the formation of its strategic direction.
- 4. Wards Affected
- **4.1** Macclesfield Central
- 5. Local Ward Members
- **5.1** Councillor Ken Edwards Councillor Janet Jackson
- 6 Policy Implications
- **6.2** The Macclesfield Town Centre Housing strategy links into a number of other strategic work packages which are currently ongoing and includes:
  - The Macclesfield Town Centre Vision, which identifies the needs and challenges faced by regeneration in Macclesfield Town Centre.
  - The Housing Strategy contributing towards the priorities to facilitate the development of both market and affordable homes and to make the best use of our existing housing stock.
  - The Local Plan Housing is mentioned substantially within the proposed local plan document which further enhances its position as an integral part of strategic planning throughout the borough and on a more local level in Macclesfield.
  - The Vulnerable and Older Persons Housing Strategy There is an identified need to provide supported accommodation within the Macclesfield area.
- 6.3 The Strategy will set the direction of travel and articulate the vision of the In Town Living Project group and demonstrate the part that housing can play in the regeneration of Macclesfield.

## 7 Implications for Rural Communities

**7.1** The strategy focus on the regeneration of Macclesfield Town Centre, bringing empty or underutilised building into residential use. There are no implications

for rural communities. There could however be a positive impact in that if we can bring brownfield development forward it will take away some of the pressure to build on green space.

## 8 Financial Implications

8.1 The Strategy highlights the existing funding opportunities, which can be accessed by owners of empty homes. This includes working with Registered Providers who can access Homes and Communities funding and also Cheshire East's Empty Homes Assistance scheme, which provides loans of up to £10k. This scheme forms part of the Private Sector Assistance capital allocation. The capital allocation for 2014/15 is £432k.

Action MTCHS 5 contained within the strategy's Action plan is to seek to attract funding sources to support In Town Living development for example institutional investment. At this stage it is not envisaged that there will be a major financial investment required by Cheshire East, however if funding was required a full business case would be compiled which would consider all financing options (both internal and external) and any potential risks to the Council. Such business cases will follow the established route for ratification including gateway approvals at the appropriate points in accordance with the Council's project management protocols.

- **8.2** The exploratory and on-going actions recommended in the Strategy will be met from within existing resources.
- **8.3** Similarly, the Strategic Housing team will continue to lead and dedicate existing resource to the project-management of the Strategy's construction, including the progression to public consultation and the incorporation of consultation feedback into the final Strategy iteration.

## 9 Legal Implications

**9.1** There are no statutory requirements to produce or publish Town Centre Housing Strategies. However, there may be legal implications in relation to the actions proposed and legal advice should be taken prior to strategy being finalised.

#### 10 Risk Management

10.1 It has been acknowledged that if no action was taken to regenerate Macclesfield, the town would run a very serious risk of further decline. Furthermore, there is the potential that should commercial / retail vacancy rates continue to rise there would be increased security concerns for those businesses which survive. Those concerns would not only be in a physical respect i.e. for the safety of their premises but also in a financial regard as

there would potentially be further reductions in town centre footfall and consequently less money flowing through the area.

In a financial respect, with less money in the town there would be a further knock on effect which could lead to Macclesfield losing more money and investment to other towns in the region, having a continued detrimental impact.

## 11 Background and Options

- 11.1 The Macclesfield "In Town Living" group was established in 2013. From the beginning it was clear that in order for In-Town living to be a success the project must have a collective approach across both the private and public sectors. As a result a partnership has been created between Cheshire East Council, Peaks & Plains Housing Trust, Symphony Housing, as well as a number of local private entrepreneurs, and consultants. All members of the partnership have contributed their professional knowledge and experiences to ensure that the project is a success.
- 11.2 The group have identified a number of aims including:
  - Identify suitable empty / underutilised residential & commercial properties in town centre area and work with the owners of those properties to bring them back into a useable condition.
  - Assist registered providers to deliver Affordable Housing units in the town centre,
  - Seek to introduce a mixture of tenure types into the town centre area,
  - Stimulate interest for future projects in Macclesfield Town Centre area,
  - Produce a Town Centre Housing Strategy to articulate the vision, aims and objectives
- 11.3 The development of the Town Centre Housing Strategy is the next phase of the project. The hope is that the strategy will stimulate interest in the project and enable us to achieve the aims outlined above.

#### 12 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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2014

# **Macclesfield Town Centre**



**V.5** 

DRAFT Housing Strategy

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## **Introduction**

#### Aims of this Strategy:

This strategy has been created as a complementary document to support the Macclesfield Town Centre Vision, Cheshire East Local Plan and by extension the regeneration and improvement program currently ongoing in Macclesfield in partnership with the "Make it Macclesfield" forum. Within the Town Centre Vision, Housing and the Community have been recognised as being of integral importance to the success of any sustained regeneration.

Within this strategy we will set out how Housing can play its part in the regeneration through encouraging people to move into the town centre (In-Town Living) by bringing underutilised properties back into use and / or assisting in the conversion of commercial properties into residential uses. This will all be accomplished by taking a strategic partnership approach working across private and public sector organisations. We will also seek to attract funding streams for future developments by showcasing successes in the Town Centre area.

Furthermore, the strategy will also provide an overview as to why Britain's town centre's need to be regenerated and what's happening at a local level to achieve rejuvenation and revitalisation of Macclesfield.

#### **Strategic Links & Visions:**

This document has links with other strategic work ongoing throughout Council departments, those links and the visions of those strategies are detailed as follows:

#### **Macclesfield Town Centre Vision**

"Macclesfield: A warmly regarded destination for residents, visitors and businesses."

This is the main document which identifies the needs and challenges faced by regeneration in Macclesfield Town Centre. As previously noted, Housing has an important role to play within the regeneration:

"We will support an appropriate mix of living accommodation within the town centre, providing homes for a range of people to promote an inclusive community at the heart of the town, to support town centre businesses, improve vitality and ensure people feel safe and welcome at all times."

#### **Cheshire East Council's Housing Strategy (2011-2016)**

"Cheshire East's strategic vision for housing is to support the creation of balanced and sustainable communities. The mix of property types and tenures will support economic growth, and high quality homes will meet the needs of current and future generations. Everyone will be able to reach their potential, regardless of where they live."

The Housing Strategy links heavily into this document as it refers to the "Make it Macclesfield" program and the redevelopment which will have taken place by 2030 along with the hope that "more people will live and work in the town centre, adding vibrancy during the day and into the evening, which together with the environmental improvements will have created a safe and desirable place for residents and visitors alike".<sup>1</sup>

It also acknowledges the need to tackle the empty homes in the borough and bring them back into use, whether that be in the town centre of Macclesfield or elsewhere in the Borough.

#### **Cheshire East Council – Three Year Plan (2013-2016)**

"Our purpose is to serve the people of Cheshire East Borough through fulfilling our community leadership role well, ensuring quality and value in Public Services and safeguarding the most

The Three Year Plan established 5 outcomes for the council of which Housing services intersect two of these outcomes in the main:

Outcome 2: Cheshire East has a strong and resilient economy.

Outcome 5: People live well for longer

<sup>&</sup>lt;sup>1</sup> Cheshire East Council – Housing Strategy 2011-2016

#### **Cheshire East Council – Local Plan (Submission Document)**

Sections from the vision:

"In 2030 and beyond, Cheshire East will be an economically prosperous area...Well designed new employment and housing developments will have been developed to meet local needs in locations that reduce the need to travel...In the main, new developments will have been directed to the Principle Towns of Crewe and Macclesfield to support regeneration priorities."

Housing is mentioned substantially within the proposed local plan document which further enhances its position as an integral part of strategic planning throughout the borough and on a more local level in Macclesfield.

#### Sustainable Community Strategy - "Ambition for All"

"Cheshire East is a prosperous place where all people can achieve their potential, regardless of where they live. We have beautiful productive countryside, unique towns with individual character and a wealth of history and culture. The people of Cheshire East live active and healthy lives and get involved in making their communities safe and sustainable places to live."

The vision and priorities within the sustainable community strategy (SCS) have specific references for Housing. The SCS identifies the need for affordable housing, improving and maintaining the condition of our existing stock, bring empty homes back into use, as well as providing housing solutions for our ageing population and those with specialist needs. It also recognises the importance of partnership working between the Council, Social and Private Housing providers and developers to increase Housing provision.

#### Cheshire East Council's – Vulnerable and Older Peoples Housing Strategy

The Vulnerable and Older Peoples Housing Strategy was created to achieve three main outcomes which link in to this strategy:

Outcome 1: "People are supported to live in their own homes independently for longer"

Outcome 2: "People can receive the support they need in a wide range of specialist, supported accommodation within the Borough"

Outcome 3: "People are able to make informed choices about the accommodation, care, and support options within the Cheshire East"

From the outcomes discussed number 2 is the most relevant to this strategy as whether there is a requirement to provide supported accommodation in the Macclesfield Town Centre area will be explored later within this document.

#### **National Planning Policy Framework (NPPF)**

"Planning Policies should be positive, promote competitive town centre environments and set out policies for the management and growth of town centres over the plan period. In drawing up local plans, local planning authorities should...allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, office, tourism, cultural, community and residential development needed in the town centres."

The NPPF is substantially linked with this strategy as it establishes the need for town centres to be prioritised by local authorities with respects to their ongoing planning policies.

## **In Town Living Project**

Within this section we will provide an explanation of what "In-Town Living" is, what we're hoping to achieve, the benefits to embarking on a project of this type and the dangers to the town centre area if no action were taken.

#### **Vision**

"To bring empty or under-utilised properties back into a useable condition and to stimulate interest to support a rejuvenated town centre"

#### What is "In-Town Living"?

As the name suggests the idea behind In-Town living is simply to increase the number of people living in a town centre area. This idea (*albeit under different names*) has been a key requirement of multiple regeneration projects across the UK as it has the ability to provide a consistent stream of people to a town centre area which can then provide key support for town centre retail and service sectors and provide a more secure financial future for those areas.

#### In-Town Living in Macclesfield

This strategy will focus solely on Macclesfield as this area is about to undergo a major regeneration and redevelopment programme which is designed to re-position and revitalise Macclesfield and secure its place as a genuine 21<sup>st</sup> Century town whilst incorporating it's rich history spanning over 750 years.

New commercial developments and services for the Town Centre are only part of the cure. Housing has been identified, at a national level, as being of integral importance to the success of any regeneration project. In Macclesfield it's hoped that increasing the numbers of people living in the town centre will bring increased financial stability and resilience for existing businesses, support the exciting new retail developments which are about to be built and stimulate interest in Macclesfield as a viable and prosperous area which new businesses will want to move to.

## **In-Town Living – Aims**

In Macclesfield we're seeking to increase the number of people living in and relying on the town centre area by utilising a number of different approaches working across the public and private sector.

The basic aims of the project are to identify suitable commercial and / or residential premises in the town centre area (*see image 1*), which are currently empty, or underutilised, and assist the owners of those properties to bring them back into a useable state. Whether that is in line with the

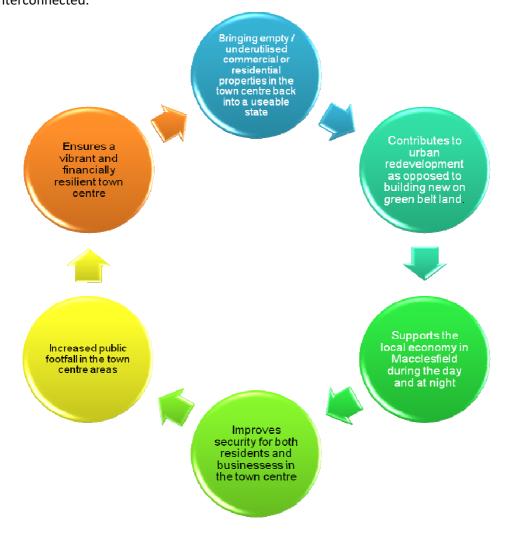
property's current / previous use i.e. commercial back into commercial or residential back into residential would depend on the circumstances of the building.

However, if it is deemed to be more appropriate we can provide the mechanisms and advice to assist owners to convert a building into another use such as identifying commercial premises which could prove to be suitable for conversion into a solely residential property or a mixed use property which as you will see later in the strategy has been done recently with great success.

Furthermore, we will seek to introduce a mixture of tenures to the area to enable the creation of a mixed and balanced community in the town centre which from a housing perspective will cater for the requirements of those whom are economically active as well as those requiring state assistance. This premise again supports one of the core principles of Cheshire East Council's Local Plan (Submission Document).

## **Benefits to In-Town Living**

A successful in-town living project would be able to provide various benefits for the town centre area which are all interconnected:



#### Risks - If we do nothing

It has been acknowledged that if nothing was done in Macclesfield the town would run a very serious risk of further decline, even when you consider that the economic recession has technically come to an end.

Furthermore, there is the potential that should commercial / retail vacancy rates continue to rise there would be increased security concerns for those businesses which survive. Those concerns would not only be in a physical respect i.e. for the safety of their premises but also in a financial regard as there would potentially be further reductions in town centre footfall and consequently less money flowing through the area.

In a financial respect, with less money in the town there would be a further knock on effect which could lead to Macclesfield losing more money and investment to other towns in the region and it could become a ghost town.

As you can see there is a causal link between all the identified risks where in-action now could lead to an irreparable domino effect.

#### **In-Town Living Partnership**

From the beginning it was clear that in order for In-Town living to be a success the project must have a collective approach across both the private and public sectors. As a result a partnership has been created between Cheshire East Council, Peaks & Plains Housing Trust, Symphony Housing, as well as a number of local private entrepreneurs, and consultants. All members of the partnership have contributed their professional knowledge and experiences to ensure that the project is a success.







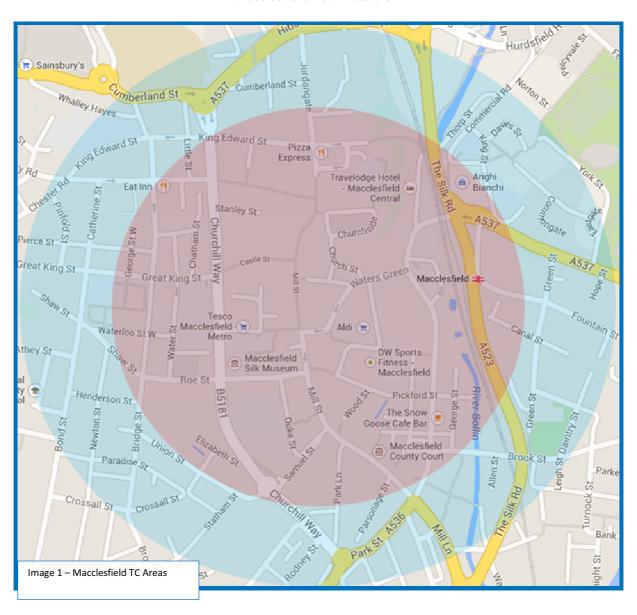
#### **In-Town Living Focus Area**

The image below provides a visual representation of the area which In-Town living is focusing on. As you will see the area is broken into two main parts. The inner core centralising around the main shopping and pedestrian areas of Mill Street, Chestergate, Castle Street, Market Square and Park Green is coloured red.

The outer core extends the project area out to include the rest of Chestergate, King Edward Street and Jordangate in the northern end of town down to the lower end of The Silk Road, Park Street and Mill Lane in the south, this area is coloured blue.

As you will see later within the strategy the main schemes so far have been located within the Inner Core, however, we are keen to ensure that any potential schemes outside of the main area are also considered.

#### **Macclesfield Town Centre**



## **Britain's Town Centres – The National Picture**

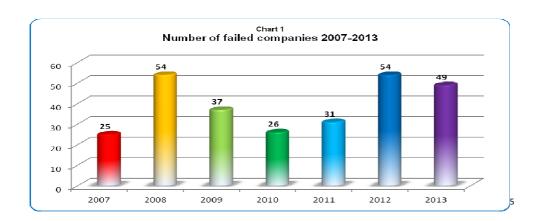
This section of the strategy is designed to provide an insight into the current state of Britain's town centres, what impact the economic downturn and recession has had and what action has been taken at a national level in an attempt to return our town centres to prosperity.

#### Background - Why town centres have to change

Britain's town centres and associated high streets have been facing the biggest ever threat to their continued existence. Many have argued that town centres have been on a downward spiral for over a decade but the recent economic downturn and resulting recession led to the closure of more independent and big brand high street chains than at any other point in recent history, the aftermath of these events have left high streets and town centres with high numbers of vacant premises and a substantially reduced footfall.

#### **Facts & Figures**

- Some areas in the North West have reported that 2008 2013 high street commercial vacancies within town centre areas have reached as much as 20%<sup>2</sup>.
- General footfall in town centres areas has reduced by an estimated **5%** 2009 2012<sup>3</sup> but in some areas this figure is considerably higher.
- Number of companies which have failed (the majority of which were on the high streets in town centres) stands at 276<sup>4</sup> between Jan 2007 and December 2013 across the UK (chart 1).
- The 276 companies which have failed meant the closure of **24,793** (chart 2) stores and affected **223,547** employees (chart 3).



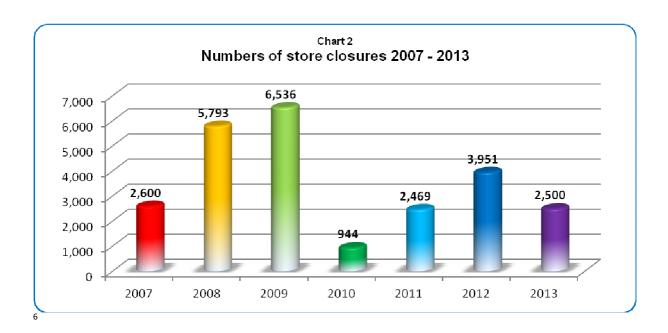
<sup>&</sup>lt;sup>2</sup> Experian Town Centre Futures Report

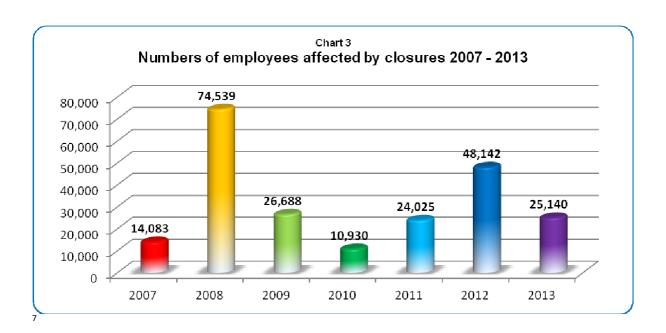
<sup>&</sup>lt;sup>3</sup> Experian Footfall Estimate 2012

<sup>&</sup>lt;sup>4</sup> Centre for Retail Research data

<sup>&</sup>lt;sup>5</sup> Graph created utilising figures from the Centre of Retail Research

Chart 1, shows the numbers of companies which have failed in each year between 2007 and 2013. The above numbers include many companies which would have previously been defined as "anchor" companies for town centres. Prime examples of these would include Woolworths, JJB Sports, HMV, Zavvi, T J Hughes, Blockbusters, Jessops, & Game to name a handful.





Charts 2 & 3 show the numbers of stores which closed and the numbers of employees affected by those closures between 2007 and 2013.

<sup>&</sup>lt;sup>6</sup> Graph created utilising figures from the Centre of Retail Research

<sup>&</sup>lt;sup>7</sup> Graph created utilising figures from the Centre of Retail Research

In chart 2, there is a very noticeable increase in store closures in 2008 and 2009 as this was when the economic recession took hold. Between Q2 2008 to Q1 2009 the UK's GDP decreased by 7%, of which store high street closures and businesses failing contributed greatly.

In chart 3, again there is a large peak in the numbers of employees being made redundant in 2008; whereas there isn't the same corresponding peak in 2009 as was seen with the store closures information in chart 2. This is likely because larger high street companies employing more people closed in 2008, and although there were more store closures in 2009 the majority of these stores had smaller employee footprints.

#### **National Action on Town Centre Decline**

The government has acknowledged the dangers to town centres and has begun to take action. In March 2011 the Prime Minister and Deputy Prime Minister asked Mary Portas to conduct an independent review (*Portas Review*) into the state of Britain's high streets and town centres. In December 2011 she reported on her findings.

Within the review she stated (in relation to town centres) "unless urgent action is taken much of Britain will lose, irretrievably, something that is fundamental to our society." She comments that there are many examples where out of town retail parks and supermarkets have "drained the traffic and retail offer from our town centres" but she acknowledges that this is not in isolation and indeed there are other factors which have caused this decline, and that essentially the high streets of Britain didn't adapt enough or as quickly as they could have done.

"Although some high streets are thriving, most have a fight on their hands. Many are sickly, others are on the critical list and some are now dead."

(Portas Review, Dec 2011)

The decline of town centres and high streets has been ongoing for some time and as the Portas Review has stated there was more than one element which must be assessed to explain this decline. This belief is shared within Beyond Retail – Redefining the shape and purpose of town centres report states that the "retail sector has experienced the perfect storm since 2008". The report highlights three key factors which have combined and created the town centres which many areas are now left with.

<sup>&</sup>lt;sup>8</sup> Portas Review, Dec 2011

<sup>&</sup>lt;sup>9</sup> Portas Review, Dec 2011

<sup>&</sup>lt;sup>10</sup> Beyond Retail – Redefining the shape and purpose of town centres

- 1) The recession which began in 2008 proved to be bigger and last for much longer than previous economic downturns.
- 2) The growth of internet shopping has been substantial, particularly over the last 5 years. The report states that this has been fuelled by "improved wireless connectivity and a huge uptake in mobile and tablet usage"<sup>11</sup>. Non-store sales (mostly online) as a proportion of all retail expenditure has increased from around 6% in 2006 to 12% in 2013 and accounts for an estimated £34 billion per year<sup>12</sup>
- 3) 25 year lease expiries, between 2012 and 2015 a significant number of shopping centre and high street retail leases will expire as well as a number of more recent 10 year leases<sup>13</sup>

The recession and growth of online shopping has had a vast impact as consumer spending power was reduced, more stores closed (as mentioned previously) and consequently the town centre had a triple-hit as stores closed and meant less footfall in the shopping areas which weakened other businesses / shops by default leading a general downward spiral



<sup>&</sup>lt;sup>11</sup> Beyond Retail – Redefining the shape and purpose of town centres

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<sup>&</sup>lt;sup>12</sup> Experian, Retail planner briefing note 10.1, September 2012

<sup>&</sup>lt;sup>13</sup> Jones Lang LaSalle, Property Predictions, 2012

<sup>14</sup> Illustration Recreation of diagram from Department of Business, Innovation and Skills – Genecon & Partners (2011) Understanding High Street Performance – Citing Colliers International

#### The future of Town Centres - What can be done?

When looking to the future of town centres, many analysts predict that high streets in their current form will continue to be threatened, especially if online sales continue to grow, in fact by as soon as 2017 it's estimated that online sales will account for 28% of all non-food sales<sup>15</sup> and over 20% of all sales (including food) in the 2020's<sup>16</sup>. It is also assumed that should the growth of multi-channel sales continue there may be a reduced requirement for retail floor space within town centres.

Although there may be a requirement for less retail units in the future there is a strong belief that many of the larger brands are seeking larger retail units which provide a better offer for their business and where they'd be able to display their full product range and provide an exciting shopper environment backed by the latest technology.<sup>17</sup>

The Portas Review created a comprehensive package of **28** recommendations to government on ways to stop the decline of town centres and return them to prosperity. Samples of the recommendations relevant to this strategy can be found on the next page.

Those recommendations were as follows:

12) Address the restrictive aspects of the "Use Class" system to make it easier to change the uses of key properties on the high street.

Portas highlighted the above because in relation to Council Tax as she saw it as a major "unnecessary restriction" on businesses to change their building uses. She feels that if this is addressed it would have a big impact on the numbers of empty properties on the high streets and could lead to more residential properties. However, she also urged caution with its use because she still feels that there needs to be diversity in town centre areas.

In fact the government is currently consulting on implementing greater flexibilities in the planning framework to enable easier conversion of commercial units into residential accommodation.

19) Explore further disincentives to prevent landlords from leaving units vacant.

This was highlighted because she argues that when an important property on the high street is left empty it can bring down the attractiveness and desirability of an area generally. Naturally when a property is left vacant it can lead to security issues for all surrounding properties and can reduce the value of those properties and businesses.

<sup>&</sup>lt;sup>15</sup> Javelin Group "Transforming the Retail Enterprise" – Presentation 03/05/13

Experian, Retail planner Briefing note 10.1, September 2012

<sup>&</sup>lt;sup>17</sup> Beyond Retail – Redefining the shape and purpose of town centres

She also argues that empty properties whether they are commercial or residential are a problem for everyone, not just the landlord who owns it. As a result she has made suggestions such as:

- Removing council tax rate relief for empty units unless the owner is looking for an alternative occupant.
- Imposing financial penalties on landlords with a significant portion of their portfolio left empty.
- Educating landlords in their responsibilities with regards to maintaining and promoting their vacant units.

28) Run a number of High Street Pilots to test proof of concept.

The idea behind this was to combine some of the recommendations she had made throughout the review and establish pilot towns which could then test out the recommendations as a whole package in the hope of providing a high street which offered more to businesses and the community at large.

The government's response to the Portas Review was published in March 2012 and acknowledged that a lot needed to be done to rejuvenate town centre areas. As a result they took two of Mary's recommendations on board and allowed the creation of Town Teams which would then be able to establish a pilot scheme in their towns which became known as the "Portas Pilots".

To begin with the government established a fund of £1 million and 12 pilot towns were selected to have a share of that money. However, due to the popularity of the idea the government later increased that funding and the number of pilot towns from 12 to 24. The government also introduced the following:

- £500,000 investments to enable Business Improvement Districts (BID's) access to loans for their set-up costs.
- A High Street Innovation Fund this was a £10 million fund which was going to Local Authorities which had high numbers of empty shops in town centres.
- A £1 million future high street X-Fund which was rewarded to areas which delivered the most innovative and effective ways of rejuvenating their town centres.

This was also coupled with the introduction of the new National Planning Policy Framework which acknowledged the importance of town centres and that local authorities should put them first within their planning decisions and when creating local plans.

The national planning policy framework sets out a series of guidelines which should be adhered to when local authorities are creating their local plans but one of the guidance which is particularly relevant to this strategy is:

Local Authorities should "recognise that residential development can play an important role in ensuring the vitality of centres and set out policies which encourage residential development on appropriate sites."

The above statement and general planning policy guidance is also reflected within Cheshire East's Local Plan.

The **12** original Portas Pilots were:



Within each of the main areas above, Housing played a part and was rightfully recognised as being of vital importance to revitalising the town centres.

Naturally the closest of these towns to Cheshire East is **Stockport** and upon reviewing the projects which they have undertaken as part of their town centre rejuvenation it is clear that there is much which we can do to replicate their successes from a Housing perspective.

Stockport's regeneration has been ongoing long before the Portas Pilots were created. From a Housing perspective they began with a project called the Hillgate Townscape Heritage Initiative in the mid to late 1990's.

So far the Housing regeneration has involved 16 major projects all in the Hillgate area along with 13 minor projects and has delivered substantial results. Stockport has naturally seen a substantial increase in residential occupancy in the area which has brought with it increased footfall and spending power to the town centre which supports the businesses and further retail regeneration in the area.

Stockport has utilised a range of tenures within the projects including working with social housing providers as well as private landlords and shared ownership schemes. The regeneration has also encouraged companies to the area which weren't there previously and has further enhanced the town.

<sup>&</sup>lt;sup>18</sup> National Planning Policy Framework – March 2012

#### **Town Centre Regeneration in Macclesfield**

Cheshire East is currently undertaking a large regeneration project focussing in Macclesfield.

#### Why regenerate Macclesfield - Making the case

Macclesfield has been chosen for regeneration because despite having an historic core and relatively affluent population the town has not been fulfilling its potential. It's been observed that Macclesfield has been losing out to regional rivals as the place to visit and spend money.

The existing offer in Macclesfield Town Centre is limited and has proven to be unattractive to multiple retailers who have been seeking larger format, modern units as a result these retailers have been going to competing areas such as Grand Junction Retail Park in Crewe, the Peel Centre in Stockport or the Trafford Centre. In Macclesfield national comparison retailers have been choosing Lyme Green Retail Park as opposed to the Town Centre.

All these factors have resulted in Macclesfield being unable to attractive multiple retailers and to develop an enhanced leisure offer. This has resulted in Macclesfield's position in the retail hierarchy dropping from 163<sup>rd</sup> to 208<sup>th</sup> between 2007 and 2010 (*as determined by Venue Score UK Shopping Venue Rankings*)<sup>19</sup>.

Furthermore, the percentage of vacant units in the town centre has been rising from 10% in 2011 to 12.56% in 2012<sup>20</sup>. There has also been a 13% drop in the comparison floor space between 2006 and 2012 as well as a 14% drop in the number of comparison goods units<sup>21</sup>.

The picture of decline within the Town Centre is set against the backdrop of local unemployment levels in the southern and eastern part of Macclesfield which are higher than the national average.

#### **Macclesfield Town Centre – The Facts:**

- £40m is estimated to have been lost by 2016,
- 94% of the town's residents currently spending their money elsewhere in the region,
- The proposed Wilson Bowden scheme will create 850 900 permanent jobs as well as further jobs created during the construction phase,
- Macclesfield has 29% less quality retail space compared with the UK national average,

From public feedback it has been identified that in order for Macclesfield town centre to thrive it would need to offer:

- Quality fashion along with leading high street brands,
- A leisure offer including quality cafes and restaurants,
- Convenience goods and petrol stations,
- Independent retailers,

<sup>19</sup> White Young Green Planning and DesignCheshire Retail Study Update Apr 2011, Appendix 3, Pg 3 and VenueScore Tables 2013-14 – As detailed within CEC Statement of Reasons.

<sup>&</sup>lt;sup>20</sup> AMT Town Benchmarking Report 2013 – As detailed within CEC Statement of Reasons

White Young Green Appraisal of Retail Matters for Planning Application 12/1213M – As detailed within CEC Statement of Reasons

- An improved culture offer (such as cinema's, theatres, music and community venues)
- · Convenient and plentiful car parking,
- A safe and secure environment,
- Effective town centre management including attractive marketing and events,

Not doing anything is clearly not an option, without investment and regeneration it's estimated that some areas of the town centre such as Mill Street could be left with up to 46% vacancy rates naturally this would be coupled with a substantial reduction in the money being spent on the high street.

The outcome from the above was the creation of the Silk Street scheme in a joint venture between developer Wilson Bowden and the Council.

#### **Silk Street Project**

#### History of the project

The process in realising the Silk Street Project has been ongoing for many years given its incredibly complex nature. It was begun in 2005 by the then Macclesfield Borough Council which created a developers brief which set out the Council's aims for the development of the Town Centre area.

In November 2005 Wilson Bowden Developments (WBD) were chosen as the "preferred development partner" to work with the Council.

In 2007 the Macclesfield Town Centre comprehensive redevelopment strategy was approved by Macclesfield Council as the guidance for the general redevelopment and the development agreement was signed between the Council and WBD.

In 2008 WBD submitted a planning application for the area but this was consequently withdrawn.

2010 the Macclesfield Economic Masterplan was prepared by CBRE to set out actions to guide future developments and to ensure that the benefits to the economy, environment and facilities of the town are maximised.

In 2012 a detailed planning application was submitted by WBD again which was supplemented by revised plans in January 2013 and the scheme received planning committee approval in June 2013 and construction work is due to begin in 2014.

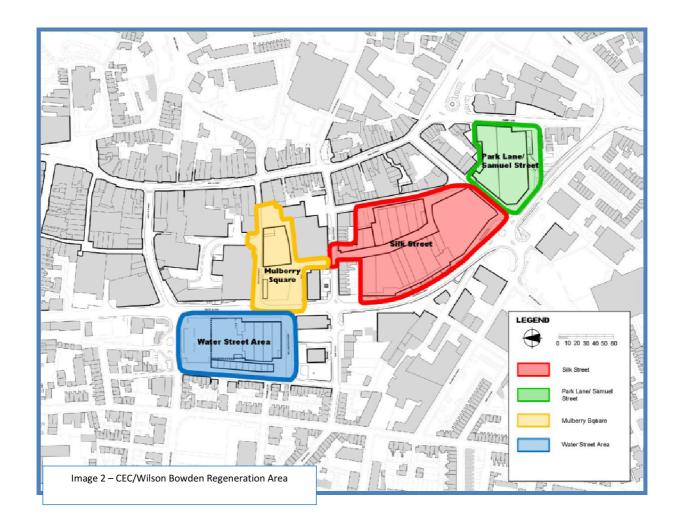
#### **Project Details:**

A plan of the development area can be found on the next page. However, once the development is complete it will deliver the following:

- A new Cinema building which would provide 9 screens and a café / foyer area.
- 4 Restaurant areas underneath the Cinema building,
- 10 residential dwellings (eight 2 bed houses and two 4 bed houses) for private sale,
- 100 space car park below the cinema accessed from Great King Street
- Additional on-street parking of 26 spaces on Water Street and 29 spaces on Wellington

#### Street.

- A new town square called Mulberry Square
- A new retail building proposed to the east of the new town square,
- A new multi-storey car park which would provide an additional 718 spaces over 3 levels.
- Various public realm improvement works are proposed,
- A new large department store and up to 22 larger format retail stores,



Commenting on the design Councillor Michael Jones, Leader of Cheshire East Council said:

"The Silk Street scheme is a once-in-a-generation opportunity to radically revitalise and boost the economy of Macclesfield and unlock its potential. It is a key part of the council's and community partners' plans to regenerate the town's rich silk heritage, creating a cultural

Some illustrations of the successful designs for the silk street scheme are included below:



Image 3, is an aerial view of the silk street development overlooking Churchill Way.



Image 4, is a view looking south down the development.



Image 5, is the view overlooking the new Mulberry Square at the heart of the development.



Image 6 is the view from Churchill Way looking towards the new cinema.

#### **Silk Street Project - Benefits**

The council is satisfied that the redevelopment will make a significant contribution to the improvement of the economic, social and environmental well-being of Macclesfield and the wider area.

With regards to economic benefits, the scheme will deliver a significant number of larger format modern retail units which provide an attractive proposition to retailers and leisure operators and will go some way to reversing the decline of the retail offer in the town centre.

Increases in footfall and trade are also expected as a result of the scheme which will benefit the existing businesses in the area.

Furthermore, the development will provide much needed employment in the town centre. It's predicted that the scheme will provide 850 – 900 (net) additional full time jobs with further direct jobs resulting from the construction process.

It is also anticipated that the scheme will act as a catalyst to stimulate further inward investment in the locality.

In terms of the environmental benefits, the scheme will make much more efficient use of the prime town centre land and in turn reduce the need to develop Greenfield sites outside of the town centre area.

The scheme will enhance the appearance of the currently visibly poor locations and setting of the grade II listed Heritage Centre through the creation of the new town square.

There are also various social benefits from the scheme which will see the enhanced retail offer provide better for the retail needs of the community and the department store will provide more comparison goods which aren't currently available in Macclesfield.

Furthermore, the scheme will enhance the leisure offer in the town providing opportunities for socialising in the evening as well as during the day; this is particularly addressed through the new cinema and restaurants on offer.

Finally the improvements in the public realm and facilities in the town centre will provide a more attractive residential location, encouraging further development, population growth and a highly sustainable location.

It's clear to see that the new development will be vast and will have a large beneficial impact on Macclesfield and its residents. Housing will be part of this redevelopment and increasing residents in the town centre would enable the new development to remain vibrant and sustained.

## **Area Profiles**

Within this section we will provide detailed breakdowns of the Town Centre area then expanding outwards to include all of Macclesfield Town to provide a comparison between the areas with regards to population levels, age breakdowns, and tenures. Furthermore there will be a section providing a breakdown of the demand for all types of Housing in the town centre and Macclesfield areas.

#### Macclesfield - In Focus

#### **Brief history of Housing in Macclesfield**

There has been a settlement on the site of what is now called Macclesfield for at least a thousand years. The settlement itself has Saxon origins and was seen as an attractive area due to the extensive forests nearby which provided good hunting grounds. Macclesfield was noted within the Doomsday Book in 1086 and was officially chartered as a borough in 1261 by the future king Edward I.

Once Macclesfield became a borough Housing began to play a significant role in the town's development. Properties known as "Burgages"<sup>22</sup> were created inside of the town boundaries and the owners were required to pay a rent which contributed to the wealth of the area and the Monarchs. Over time these properties were re-build or updated and became what would now be referred to as Town Houses.

By the end of the 13<sup>th</sup> and into the 14<sup>th</sup> centuries Macclesfield became the administrative centre for Eastern Cheshire and started to expand. This expansion was helped by its geographical position standing along important salt and other trading routes leading to Derbyshire and Yorkshire. The kinds of trade in Macclesfield started to change over time from Wool to Silk which is now widely associated with Macclesfield's heritage.

The major changes and expansion of Macclesfield came with the introduction of industrialisation in the 18<sup>th</sup> Century. Charles Roe famously opened his water powered textile mill 1743-44 which was soon followed by a dedicated Silk Mill in 1756. Macclesfield Town was soon recognised as being the largest producer of Silk in England and some suggest the world.

In the later part of the 18<sup>th</sup> Century "Garret" houses were constructed which were three storey buildings which had workspaces for weaving in the attic, in fact the weaving industry was largely supported by people working in their own houses until the 1830's when more larger purpose built mills became the norm. Some houses of this design of these still exist today in the southern part of Macclesfield in places such as Paradise and Newton Street.

<sup>&</sup>lt;sup>22</sup> A Short History of Macclesfield – Dorothy Bentley Smith

As Charles Roe's manufacturing business increased and more mills were opened by other companies in the town the population increased rapidly. Indeed between 1801 and 1851 the population of Macclesfield Town increased from 8,743 to 29,648.<sup>23</sup> This represents a population increase of 239% in the 50 year period. Along with more mills being opened (70 by 1834) this increase was likely partially due to the railway and canal networks coming to Macclesfield with the Macclesfield Canal being completed in 1831 and the railway in 1845 bringing better communications and opportunities for trade.

In common with most industrialised towns in England in the 19<sup>th</sup> Century the types of accommodation in Macclesfield changed and smaller terraced or worker houses were constructed as the century went on. As with many parts of England the standard of these types of accommodation was poor, but these buildings improved in standard slowly with a series of national policy changes which focussed more on sanitation and better planning for construction.

Although the Silk industry in Macclesfield began to decline at the end of the 19<sup>th</sup> and into the 20<sup>th</sup> Centuries (with the exception of a brief revival in the inter-war years) other industries came to the area and Macclesfield again diversified. In the town centre more shops began to open to cater for a more materialistic change in society but the historic market had constant presence.

In terms of housing, the early 20<sup>th</sup> century began to see the creation of accommodation constructed by local authorities. In 1919 Lloyd George passed a law requiring Council's to provide "homes fit for heroes" for soldiers and their families returning after World War One and Macclesfield had its first Council built house not long after. Although Macclesfield wasn't bombed during World War Two the population boom after the war did have an impact on the area and indeed the population grew from 35,999 in 1951 to 44,401 in 1971<sup>24</sup> which naturally led to an increase in the construction of new Council built accommodation. The types of accommodation changed once more, houses began to have indoor toilets, dedicated drainage, front and rear gardens and perhaps more importantly usually only one family per household.

By the end of the 20<sup>th</sup> Century Macclesfield's former industries had disappeared to be replaced by newer forms but not in the town centre. The centre of town is now firmly based around shopping and to a lesser extent services, but again in recent years these too have witnessed a decline with shops closing and fewer people visiting the town centre area. There is no doubt that Macclesfield has evolved in almost every way over time and indeed as author Dorothy Bentley Smith states "Macclesfield's success has been its ability to adapt to change" 25

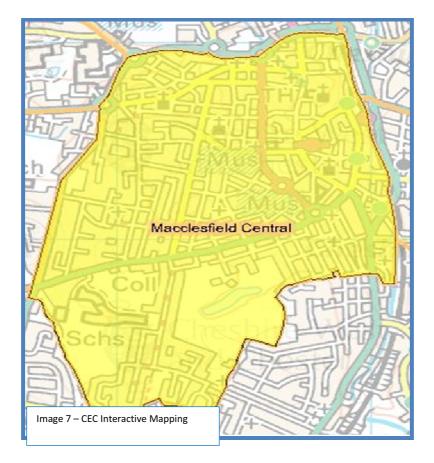
From a Housing perspective very few properties have been built in the town centre for many years but with the impending regeneration to the area it's time for a revival.

<sup>&</sup>lt;sup>23</sup> A vision of Britain through time – Population Statistics

A Vision of Britain through Time – Population Statistics
 A Short History of Macclesfield – Dorothy Bentley Smith

#### **Population:**

\*\*\*Please note – Although In-Town Living is focusing on the Town Centre, there are no population figures for such a small area, as a result all population figures for the Town Centre (unless otherwise specified) will be based on the Macclesfield Central Ward (pictured below).\*\*\*



#### **Population Levels Compared:**

Macclesfield's population has seen many peaks and troughs over time with rapid expansion in the  $17^{th}$  and  $18^{th}$  centuries along with periods of decline in the  $19^{th}$  and early  $20^{th}$  centuries. The following charts provide a breakdown of the population levels for Macclesfield Central between 2009 and 2012 (as determined by the mid-year estimates provided by the office of national statistics) and then Macclesfield Town as a whole. The chart (below) provides a breakdown of Macclesfield Central Ward population between the stated years.

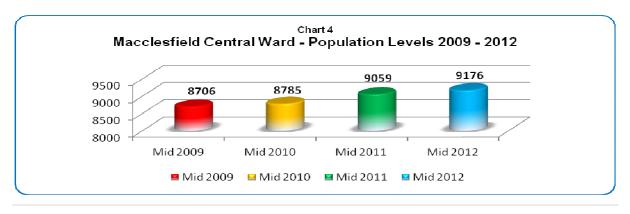
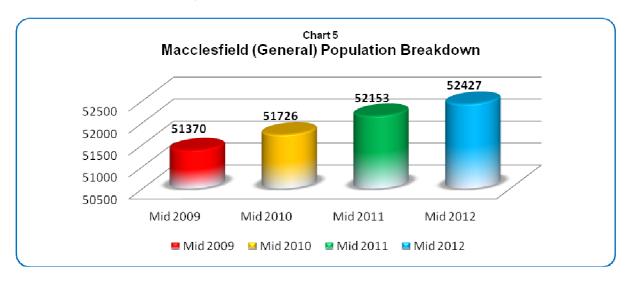


Chart 4 shows that between 2009 and 2012 (*mid-year estimates*) the population of Macclesfield Central Ward has increased from 8706 to 9176 which represents an increase of 470 people (5.1%) over the period.

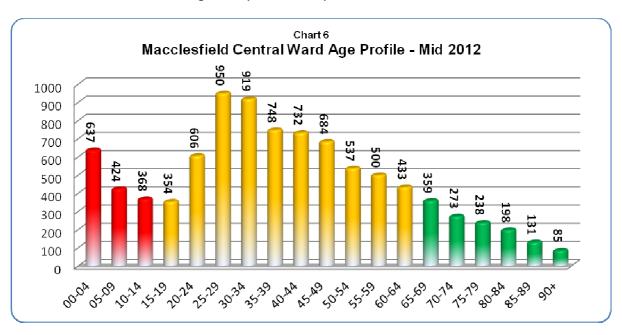
The following (*chart 5*) provides a population breakdown of Macclesfield Town as a whole again between 2009 and 2012 (*mid-year estimates*).



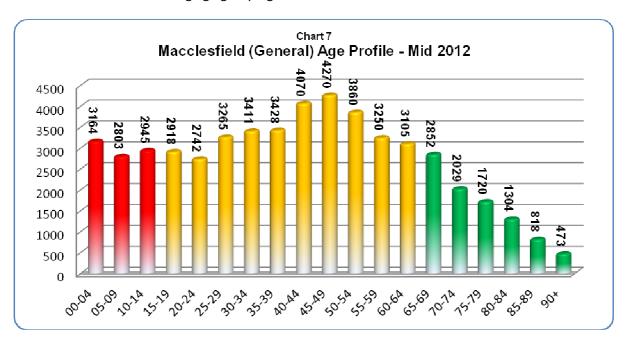
The chart (above) shows that Macclesfield Town as a whole has witnessed a similar increase in population size over the period increasing from 51,370 in 2009 up to 52,427 in 2012 this is an increase of 2% over the period which confirms that the population in Macclesfield Central is increasing at a faster rate than the town at large.

#### **Population – Age Profiles Compared:**

The following charts (6 & 7) provide an age profile breakdown of Macclesfield Central compared with that of Macclesfield Town generally in 2012 only.



The chart above shows that amongst the 9176 individuals classed as living within Macclesfield Central ward over 70.4% of them are of working age. The highest age range comprises of those aged 25-29, closely followed by those aged 30-34, in fact these two age groups account for 28.9% of all individuals within the working age groupings.



The age profile in the chart (*above*) displays a different age dispersal when compared to the Macclesfield Central ward data. When taking account of the town as a whole the percentage of those individuals of working age drops to 65.4% from 70.4% in the central ward. Furthermore, the percentage of those aged between 25-29 and 30-34 is substantially lower at 19.4% which is a decrease of almost 10% between the two comparison areas.

In Macclesfield Town as a whole the most prevalent age grouping is amongst those aged 45-49 closely followed by those aged 40-44.

Further changes can be seen amongst those in the older age groupings. Within Macclesfield Central those aged 65+ accounts for 14% of all individuals in that area. Whereas considering Macclesfield as a whole that figure increases to 17.5% of the population.

#### <u>In-Town Living Area – Experian Mosaic Breakdown</u>

The areas covered under the In-Town living project are comprised of different population demographics. These have been mapped using the Experian mosaic software and can be separated into five distinct groups. The codes have been determined by Experian.

#### Mosaic Group - B8: Mixed communities with many singles in towns

This demographic comprises of mostly single people but covers those which are both young and old. Many of them would live in better quality flats above shops or in terraced houses (if young) and in purpose built accommodation if older. Again they would tend to rent privately as they can be somewhat transient, employment opportunities seem to moderate but they may still be on lower incomes usually working in the town centre shops (if young). Again there is only one region in the project area where people would come under this definition.

#### Mosaic Group – G32: Students and other transient singles

According to Experian this group of people are commonly found within town centre areas and university towns, they tend to be younger well educated people either studying for a degree or having completed a degree course recently. They tend to live in shared houses or flats renting from private landlords to suit a more transient lifestyle. They also prefer local shops and conveniences in the immediate vicinity. As you can see from Image 3, this group tends to reside around the southern end of the In-Town Living area.

#### Mosaic Group – G33: Transient singles, poorly supported by family

According to Experian this group tends to be younger singles aged between 18-30 which may be out of work, education or training, if they are in work they are usually on lower annual incomes. They tend to live in flats above shops again in the town centre areas which are privately rented. Claims for state benefits tend to be higher amongst this group and in some cases these areas can have a higher demand for Policing. As you can see from Image 3, this grouping accounts for the majority of areas within the project area.

#### Mosaic Group - H36: Young Singles and Sharers in purpose built flats

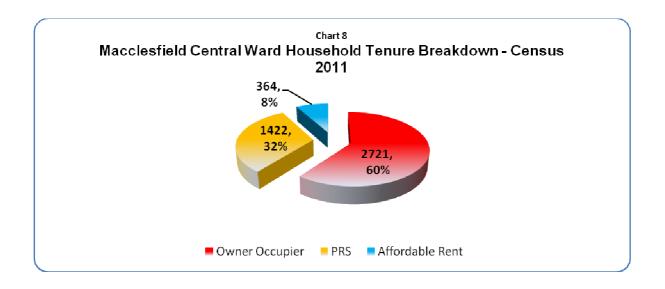
This group tends to comprise of younger singles living in newer purpose built private rented flats, again they tend to be found close to the town centre and require good transport links both public and private (motorways etc), employment is relatively good amongst this group hence the requirement to have good access links. Housing in these areas is usually of good quality but smaller. There is only one area which would come under this definition in the project region and this is located towards the southern end around Park Green.

## Mosaic Group - 144: Low Income Families occupying older terraces

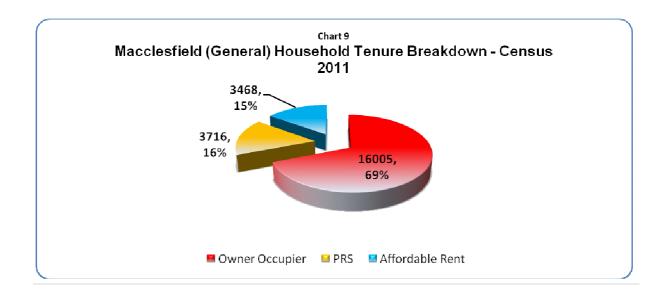
This grouping again is commonly found close to town centre areas so that access to local amenities and public transport links. They tend to be families with a lower than average income. They tend to occupy smaller terraced houses which may not be in the best of conditions. This group is comprised of first time renters on the whole. There are only 2 areas within the defined area where this group may be found.

#### **Household Tenure Comparison**

The following charts (8 & 9) provide a breakdown of the household tenures within the Macclesfield Central ward and Macclesfield as a whole.

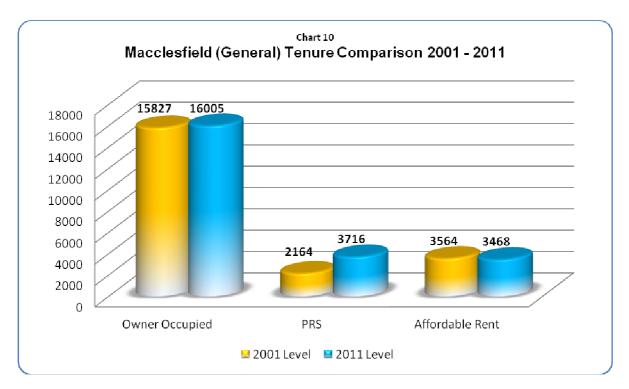


This chart (above) shows that in Macclesfield Central Ward there were 4,507 properties, the majority of those properties (2721) belong to owner occupiers, which accounts for 60.3% of all tenure types in that area. The private rented sector (PRS) commands the next highest property tenure at 31.6% (1422 properties) and finally 8.1% of properties are Affordable Rented from registered providers.



The chart (above) shows a breakdown of the household tenure in Macclesfield generally as it was at the time of the census in 2011. Again the largest tenure is by far owner occupation which accounts for 16,005 (69%) of 23,189 properties. The private rented sector (PRS) is the next largest at 16%, closely followed by those properties which are classed as affordable rented (15%).

When comparing the two charts above there are some interesting differences. Although owner occupation is relatively similar in size between the two areas when you consider the PRS you can see that in Macclesfield Central this accounts for twice the tenure percentage than in Macclesfield as a whole. Furthermore, the Affordable Rented sector also shows vast differences with the sector only commanding an 8% share of the tenure market in Macclesfield Central as opposed to 15% for the town as a whole.



The above (*chart 10*) provides a comparison with respects to the Tenure breakdown of Macclesfield as a whole as it stood in 2001 and 2011.

In the 2001 Census there was a total of 21,555 households in Macclesfield generally. Of those 15,827 (73.4%) were owner occupied (either with or without a mortgage), 2164 (10%) were within the private rented sector and the remaining 3564 (16.6%) were classed as Affordable Rented (social rented at the time).

When comparing these two datasets you can see that generally speaking the number of households in Macclesfield has increased by 7.6% to 23,189. Within this owner occupation has increased slightly from 15,827 to 16,005 which is an increase of 1.1% over the decade. The biggest change can be witnessed within the Private Rented Sector (PRS) which has increased from 2164 households in 2001 to 3716 in 2011 which means the PRS in Macclesfield as a whole has increased by 41.8% in the 10

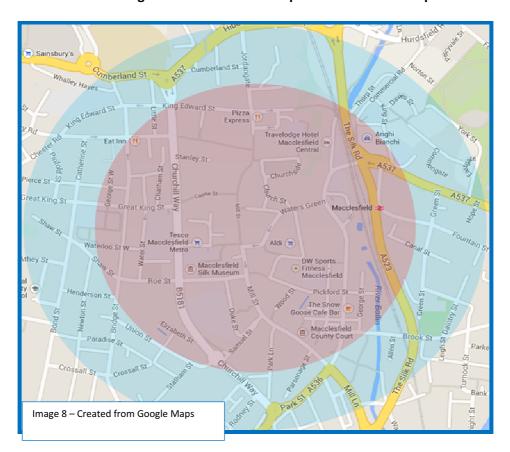
year period. Affordable Rental are the only sector which over the same period have actually shown a 2.7% decrease standing at 3468 in 2011.

Unfortunately, data from Macclesfield Central cannot be compared as the ward boundaries changed between 2001 and 2011. That being said based on the data available we can assume that similar changes were experienced in Macclesfield Central ward over this time period.

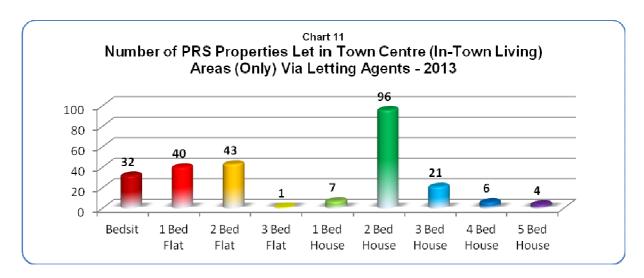
#### Area Profile - Private Rented Sector (PRS) Analysis - (2013)

The following section provides details of PRS activity in Macclesfield Town Centre and the Town as a whole in 2013. The perceived demand data within this section has been collated via a series of surveys carried out on the PRS. Information on the numbers of properties has been gathered via a research project on the PRS and will provide a breakdown of the property types in Macclesfield Town Centre and then Macclesfield as a whole based on those properties which have been let out by letting agents in 2013 as well as the average rental levels.

#### \*\*\*When discussing the Town Centre areas please refer to the map below\*\*\*

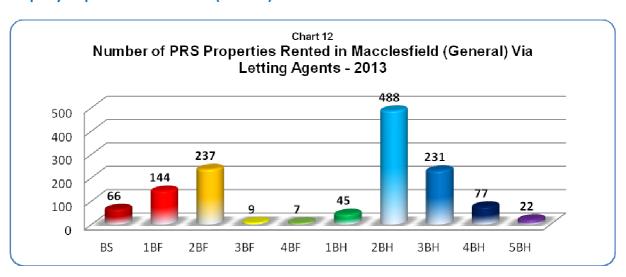


#### Property Dispersal - Macclesfield Town Centre (Only):



Within the 2 areas of the town centre (as defined in the map) there were PRS properties located on 37 out of the 61 streets in the areas. This equates to a total of **250** properties. As you can see from the chart (11) (previous page) 2 bed houses make up the majority of those properties with 96 in total. The next largest figures are amongst 2 and 1 bed flats which had 43 and 40 respectively.

### **Property Dispersal – Macclesfield (General):**

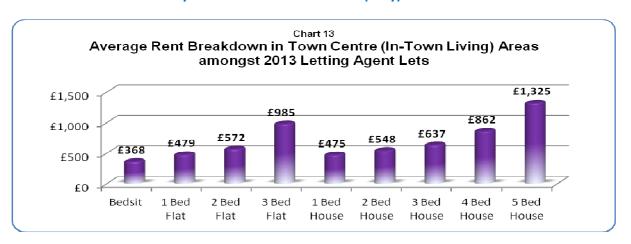


The chart above (12) details that throughout 2013 the letting agents covering Macclesfield Town as a whole successfully let 1,326 properties of varying types. When considering all PRS market activity across Cheshire East Borough Macclesfield accounts for 18.3% of all properties let out.

Within the chart above 2 Bed Houses command the majority of the properties let out with 488 in total which translates to 36.8% of the total (488). There is a significant presence amongst 3 Bed Houses and 2 Bed Flats as well but these had half the number of the 2 Bed's in the period.

In many ways the above chart mirrors that of the dispersal in the Town Centre with the exception of 3 Bed Houses as this property type only makes up 8.4% of properties in the Town Centre as opposed to 17.4% of properties across Macclesfield as a whole.

### Rental Values & Affordability - Macclesfield Town Centre (Only):

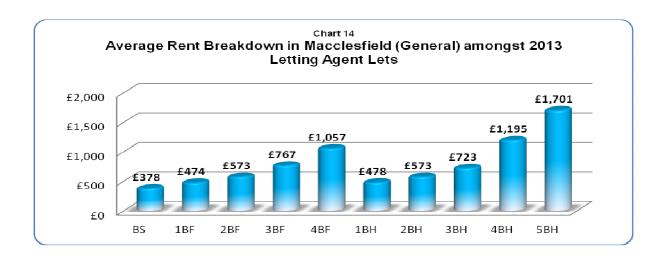


The chart on the previous page (*chart 13*) provides a detailed breakdown of the average rental values achieved by letting agents for properties which were let out in the town centre areas only.

Within chart 13 the highest average rental value is amongst 5 Bed Houses which had an average monthly rent of £1,325. The average rental value amongst 2 Bed Houses (which had the highest number of properties) was £548 PCM. In order for a person / household to afford the average 2 Bed House in the Town Centre area they would need to have a monthly net income (including earnings and benefits) of £1,910 net which equates to an annual income of £22,920 (net). This is based on the premise that a household would spend no more than 30% of their income to pay for their rent in order for that rent to be affordable to their finances.

Taking all the property types into consideration the average rental value for all 250 properties identified in the town centres areas was £694.55 PCM.

Rental Values & Affordability – Macclesfield (General):



The chart (above - 14) provides a breakdown of the average rental values achieved by letting agents for the total 1,326 properties which were let out in Macclesfield (general) 2013. Unsurprisingly, the highest average rental value was witnessed within 5 Bed Houses but this must be viewed with caution as this average is based on a relatively small number of PRS properties.

When considering all properties let out in Macclesfield, the general average rental value for the area reduces to £792 PCM for all property types. In order to afford the average rental value in Macclesfield a person / household would be required to earn at least £2,640 (net) per month in income which equates to an annual net income of £31,680.

#### Rental Value & Affordability - Summary

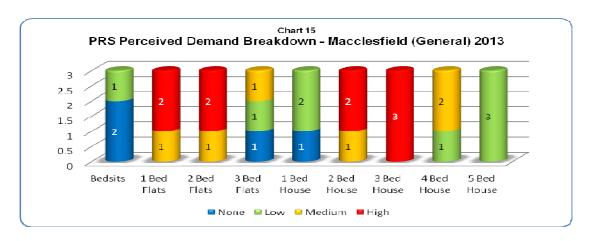
Considering data incorporating both areas you can see that the average rental value for the town centre areas is substantially lower than that seen amongst properties let in Macclesfield generally registering a rental value £97.45 per month lower.

This also has an impact on the affordability for the areas as based on the most recent data on household incomes provided by CACI 2010 the current average household income (including benefits) in Macclesfield is £2,399.55 (net) per month which equates to £719.86 per month (net) which essentially means that the average rent in Macclesfield as a whole of £792 PCM would be slightly unaffordable for the average household. In the town centre areas the average income is above actually above the current average rent so affordability should be easier in those areas.

It is important to note that the previous comments are generalisations and there are property types and sizes which would be affordable on this income.

#### Private Rental Sector Perceived Demand Analysis - Macclesfield

The chart below (15) provides a perceived demand breakdown for all PRS properties in Macclesfield Town (inclusive of the town centre areas) as a whole based on a heat map principle where demand is coloured from "none" (blue / cold) to "high" (red / hot). The numbers within the chart do not correspond to a demand rank they represent the number of agents who responded (3) to the recent survey.



The above chart (15) shows that 3 Bed Houses command the highest perceived demand amongst the letting agents who responded. This is then followed by 2 Bed Houses and 1 & 2 Bed Flats in the area. According to agents Bedsits commanded the lowest overall demand with 2 of 3 agents stating that there was no demand for this property type.

Looking at the perceived demand for 1 and 2 Bed Flats in more detail the table below provides a breakdown of the number of searches conducted for this property type on Rightmove.co.uk in April and May 2014<sup>26</sup>.

Flat Size	Rent Value Range - PCM	No of Searches – May 2014	No of Searches – April 2014
One Bed	£301 - £400	10,234	12,066
One Bed	£401 - £500	11,963	13,952
One Bed	£501 - £600	14,056	15,991
One Bed	£601 - £700	15,397	17,534
Two Bed	£401 - £500	10,861	12,785
Two Bed	£501 - £600	12,835	14,710
Two Bed	£601 - £700	14,123	16,213

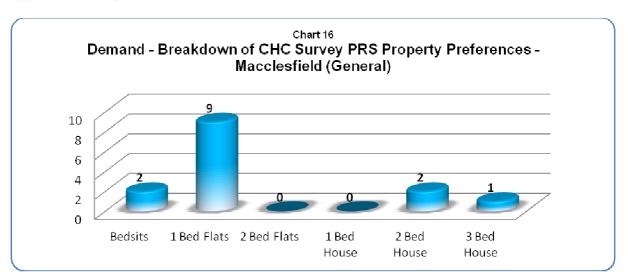
This information supports the premise that there is a demand for flats / apartments in Macclesfield given the sheer numbers of searches which are being conducted each month for this property type and we would expect to see similar results for other property types.

<sup>&</sup>lt;sup>26</sup> Rightmove searches data provided by Belvoir Lettings – Macclesfield

In terms of the time it took letting agents to let accommodation in Macclesfield, amongst the 3 agents who responded to the survey the average length of time it took to let a House was between 1 and 2 weeks and the same again for a Flat. This would appear to show that the market itself has a relatively quick turnover in relation to these property types. Furthermore, when considering the numbers of people who are contacting letting agents about each property they're letting out, for Houses 2 of 3 agents reported that they get between 6 and 10 people enquiring about each house or flat with the remaining agent reporting that they receive between 11 and 15 contacts about each property.

A further measure of demand has been derived from a snap survey conducted amongst current applicants on the Council's Housing waiting list called Cheshire Homechoice. In total 100 applicants were questioned at random, 71 stated that they would consider looking towards the private rented sector for an accommodation solution as opposed to continuing to seek affordable rented accommodation.

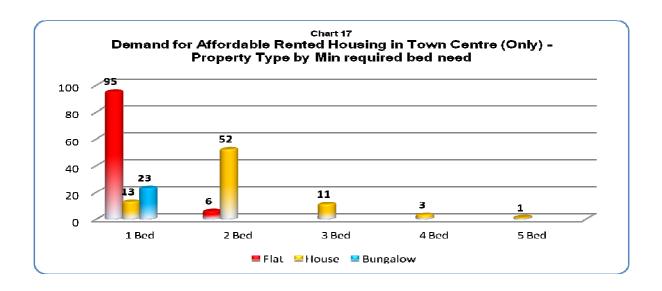
Within the 71 applicants, 14 stated they would prefer to consider Macclesfield as their first choice for PRS accommodation. The chart below provides a breakdown of the property types which those applicants would prefer.



In chart 16, the breakdown the majority of the applicants would request a 1 bed PRS flat in Macclesfield if it was available with smaller numbers requesting Bedsits and 2 Bed Houses. Naturally these figures are only designed to provide a brief snapshot of applicants and their preferences.

#### Affordable Rented Demand – Town Centre Area (Only)

In order to determine the demand for accommodation in the town centre area an analysis has been conducted utilising Cheshire Homechoice (Housing waiting list). The chart (*below - 17*) displays a breakdown of the types and sizes of accommodation required by applicants who have specified that they would wish to secure affordable rented housing in the town centre region (only) by the bedroom size to which they are eligible.



Flat	95	6			
House	13	52	11	3	1
Bungalow	23				

The information in chart and table (above) has been derived from an analysis of applicants on the Cheshire Homechoice waiting list as of 02/04/14. These figures are prone to change regularly as the waiting list is a fluid entity with people being re-housed constantly.

The figures show those clients who have specified Macclesfield Town Centre area as their first choice for re-housing under affordable rented housing only and have been broken down into each individual client's current eligibility for accommodation by their minimum bed need and the type of accommodation they are requesting as long as it is in their eligibility.

Minimum bed need has been chosen as it would take into account the changes introduced in the Welfare Reform Act 2012 specifically in relation to the removal of the spare room subsidy which began in April 2013 (more commonly termed the "Bedroom Tax").

Chart 17 shows that of the **204** applicants who have specified the town centre as their first choice **95** (44.2%) of them are looking to secure one bedroom social housing flats, these are mostly single applicants interspersed with 5 applicants whom are couples.

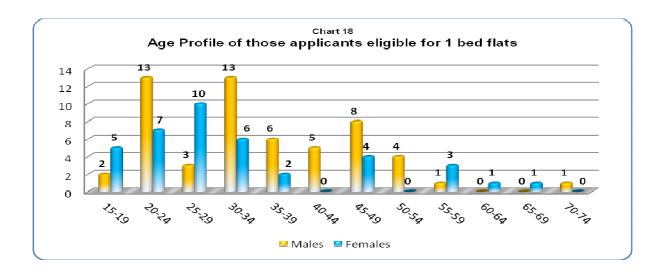
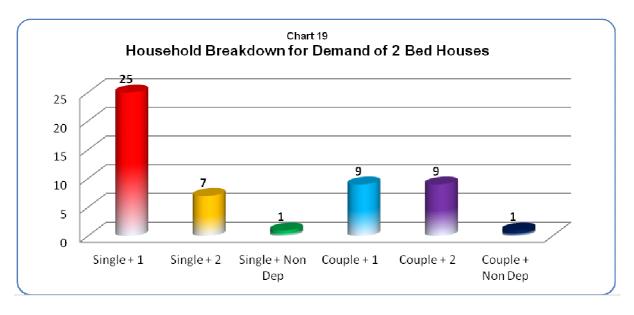


Chart 18 (above), displays an age profile of the **95** applicants who would be eligible for one bedroom flats in the town centre area. As you can see there are a large number of applicants aged between 20 and 34 which would be in-keeping with the Experian Mosaic groupings detailed previously which suggested that younger singles tend to reside in town centre areas. As you will note there are 7 applicants aged 55+ which are included within the 1 bed flat breakdown instead of supported or bungalow accommodation, this is because those clients have specifically requested a flat instead of any supported accommodation.

Also from Chart 17, the next highest demand category is for 2 bedroom houses which commands a requirement for **52** properties. Chart 19 displays a breakdown of the household types requiring 2 bed houses in the town centre area.



Finally there is also a relatively healthy requirement for both 1 bedroom houses, again amongst single applicants as well as 3 bedroom houses for those applicants with more children or older children.

All of the information presented here suggests that there is a demand for social / affordable rented accommodation in the town centre area.

#### Affordable Rented Bidding Analysis – Macclesfield Town Centre (only)

Between 01/01/13 and 31/12/13 there were **12** properties advertised on Cheshire Homechoice which were completed and offered to clients. In total 321 bids were made on these properties all of which were flats. There were 7 one bedroom flats, 2 two bedroom flats and 1 three bedroom flat. No houses were advertised in the Town Centre area.

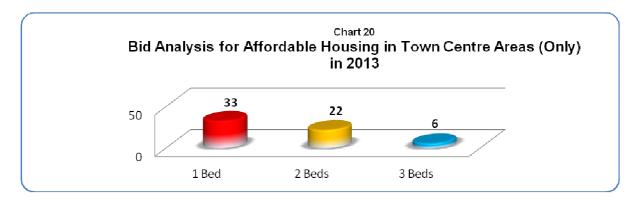
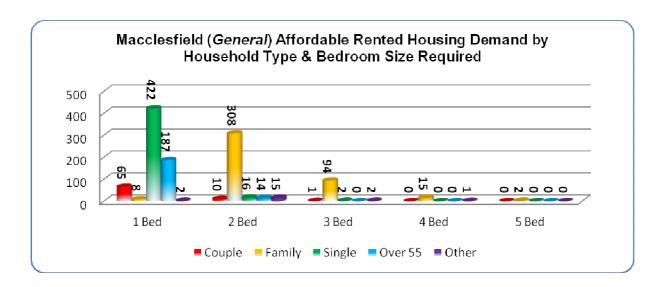


Chart 20, shows that out of the 7 one bedroom properties advertised in the town centre area there was an average of 33 bids made per property, the highest number of bids made on a 1 bed flat was 59. With regards to 2 beds there was an average of 22 bids per property (highest on an individual property was 56 bids) and there was only 1 three bed flat in the designated time period which had 6 bids made on it.

#### Affordable Rented Housing Demand – Macclesfield (General)

Cheshire East Council maintains a waiting list for those wishing to secure affordable rented accommodation in the borough called Cheshire Homechoice. An analysis of that list has identified that there are currently **1,164** households which have chosen areas within Macclesfield as their first choice for accommodation. Chart 21, provides a breakdown of those households by the size of property which they're eligible for.



#### **Supported & Older Persons Accommodation**

Utilising data from the population section earlier in this document you will note that in total 9,196 individuals living within Macclesfield Town as a whole are aged 65 or over<sup>27</sup> this accounts for 17.5% of all age groups. That percentage is due to increase rapidly up to 2030 not only because there will be more older individuals but also because of advancements in medical science helping people live for longer this in turn will have a substantial impact on Housing in the area and the borough at large.

The population in Cheshire East Borough generally amongst those aged 65+ is due to expand by more than 46% by 2030.

This increase and the impact it will have on Housing cannot be ignored. Generally speaking Cheshire East will require more places for extra care, and sheltered housing by 2030. Macclesfield is not immune to those requirements; in fact as the 2<sup>nd</sup> largest town in the borough the demands are likely to be much higher than most other areas, specifically in relation to requirements for Extra Care and Sheltered Housing placement.

The table below provides data on the current supply for each type of housing and the projected need by 2030 as determined by the Strategic Housing for Older People Toolkit (SHOP) data which in turn has been incorporated into the Vulnerable & Older Persons Housing Strategy 2014.

<sup>&</sup>lt;sup>27</sup> Data based on ONS Mid 2012 Population figures

Extra Care	0	194
Sheltered Housing	258	712 <sup>28</sup>

As you can see from the above table the current supply of Extra Care Housing in Macclesfield is zero but there is a projected requirement for 194 places by the year 2030. When considering the Town Centre area only, the future requirement for Extra Care Housing has listed a need for 32 units.

In relation to Sheltered Housing the current supply is listed as **258** units but again the demand by 2030 is projected to be as high as 712 units required which indicates a need for the supply to increase by 63.7% over the next 15 years to meet this need.

#### Why choose Macclesfield:

#### **Macclesfield Connection Profile**

Macclesfield's geographical position has often caused problems in the past for the development of the area however during the industrial revolution these problems were largely overcome and now the town has links to several cities via road and rail not to mention its proximity to Manchester International Airport.

<sup>&</sup>lt;sup>28</sup> SHOP Data from CE – Vulnerable & Older Persons Housing Strategy

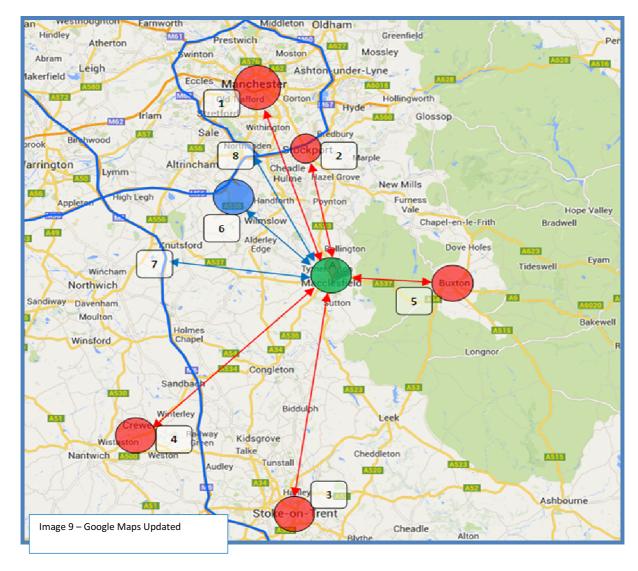
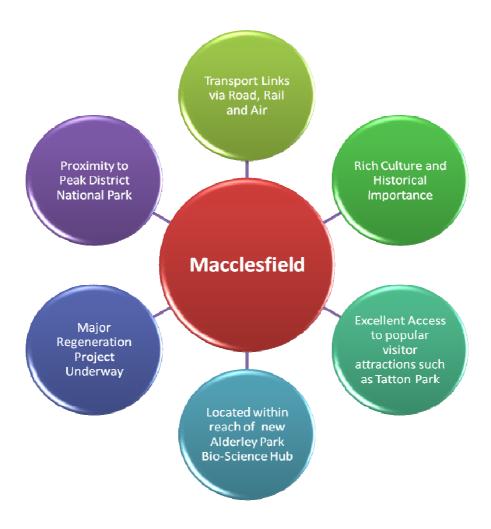


Table 1 – Transport Link Breakdown

1	Manchester	45 Minutes	26 Minutes
2	Stockport	27 Minutes	15 Minutes
3	Stoke-on-Trent	40 Minutes	15 Minutes
4	Crewe	40 Minutes	45 Minutes (via Stockport)
5	Buxton & Peak District	25 Minutes	70 Minutes (via Stockport)
6	Manchester Airport	25 Minutes	52 Minutes
7	M6	25 Minutes	N/A
8	M56 & M60	31 Minutes	N/A

### **Benefits to Macclesfield**



**Section 5** 

### **Strategic Approach – Looking Forwards**

This section will be used to explain the mechanisms that we will be using in order to achieve the aims set out within the "In-Town living" section earlier in this strategy.

#### <u>In-Town Living Aims – Recapped</u>

As previously mentioned, the In-Town Living project has been created as a mechanism to achieve the following aims:

- Seek to increase the numbers of people living within the town centre area of Macclesfield,
- Identify properties in the town centre area (whether they are commercial or residential) and work with the owners to return those properties into a useable state for re-occupation,
- Identify properties which again are empty or underutilised (either commercial or residential) and assess if they would be suitable candidates for a full or partial conversion into another use such as making a commercial property a solely residential one or a mixture of uses.
- Seek to introduce a mixture of tenure types to the town centre area to support those whom are economically active or requiring state assistance.

#### Why we're doing this - Recapped

This project is being undertaken because the need for further Housing has been identified as being of integral importance to the success of regeneration projects which have been conducted across the country. Having residents in a town centre area can provide increased and consistent footfall which consequently deliver higher levels of financial spending in the areas concerned. Furthermore, the idea of converting premises into part commercial / part residential could provide a greater return for property owners in the town.

Many properties in Macclesfield have been suffering from under-investment for a number of years which has threatened the historical charm of the town. Once completed the benefits of the regeneration programme coupled with greater numbers of residents in the town centre will enhance Macclesfield's contribution to the overall economic development of Cheshire East Borough.

#### **Direct Benefits from In-Town Living Project**

- Brings empty / underutilised commercial / or residential properties back into use.
- Contributes to urban redevelopment as opposed to building on greenbelt land.
- Supports the local economy during the day and night.
- Improves security for both residents and businesses in the town centre.
- Provides further economic growth for the town which contributes to the prosperity of the borough.
- Ensures a vibrant and financially resilient town centre.

#### **Direct Benefits from Macclesfield Town Centre regeneration**

- Delivers a significant number of larger format retail units.
- Increased footfall in the town centre area including existing developments.
- Predicted to produce 850 900 full time paid jobs in the town centre.
- Provides a better use for prime town centre land.
- Provides a better offer for the public in the town centre with regards to products to buy and their experiences of the town.
- Better leisure offers in the town centre in the way of restaurants and a cinema.

All of the direct benefits listed on the previous page between the In-Town Living project and the general regeneration of Macclesfield are inter-connected and together will hopefully provide the catalyst for promoting further growth and investment in the town.

#### How we're going to achieve our aims?

A series of actions have been identified which will enable us to achieve the aims of the project and the strategy:

- Conduct research to identify suitable commercial / residential properties and actively engage
  the owners of those premises to ascertain the reasons why the property has become empty
  and furthermore, seek to remove the barriers which are preventing those owners and other
  investors from conducting works. This would be a collaborative approach in conjunction with
  the Private Sector Renewal Team.
- 2) Once identified we would seek to actively engage with the respective property owners to bring the premises back into use either as a commercial property, residential property or a mixture of the two. This would be achieved by utilising the forthcoming Sub-Regional Empty Homes Assistance "took-kit" to act as an enabler for this engagement.
- 3) Initially assist Registered Providers to deliver four units of affordable housing within the project areas and then promote the successes of those units to encourage further developments working with private entrepreneurs and / or registered providers and thereby raise the profile of the project.
- 4) Seek to attract funding streams to the Macclesfield area to support In-Town Living developments or conversions within the town centre. This would be accomplished by showcasing the successful developments already undertaken, as well as linking in with other projects in the area and again seek to raise the profile of the projects to position Macclesfield as an attractive opportunity for private or public investment.

#### **Empty / Underutilised Properties – Background (Residential)**

### What is an "empty / underutilised" property?

Put simply, an empty or underutilised home is a property which could be used as a residential dwelling but is currently unoccupied. According to data from the charity "Homes from Empty Homes" by the end of 2013 there were 635,127 empty homes across England with 232,600 being classed as long term empty. Unfortunately the North West had the highest number of empty

properties of any other region with 114,882 empty homes and 46,747 of those were long term empty.<sup>29</sup>

Empty homes are a wasted resource for communities particularly when there are nearly 2 million families in the UK which have inadequate housing. Unfortunately when homes are left empty they can fall into disrepair and contribute to the decline of an area.

#### Why homes are left empty?

In the majority of cases where homes are empty they are in the process of being refurbished, on the open market waiting to be sold or part of a deceased person's estate waiting to be finalised. There are also homes which are empty because the owner is unable to bring that the property back into use, at least without some assistance.

People who are struggling do so because:

- They may not have enough time to deal with the property
- They may not have the knowledge required to do the refurbishment
- Or they may not have the money to complete any refurbishment

However, there are also owners who have abandoned a property or have no intention of doing anything within the property. In some instances people may have bought a property as an investment and are waiting for the market situation to improve before doing any work.

The council is actively looking to encourage these owners to bring these properties back into use as soon as possible but should an owner continue to leave a property empty without a valid reason they could be subject to the legal powers which the Council possesses such as compulsory purchase orders.

#### Risks to leaving homes empty:

There are several problems which could be realised should a property be left empty for a protracted period of time. Such as:

- Empty homes detract from an area which can cause frustration from other residents,
- Increased risk that the property will fall into disrepair,
- They can become targets for anti-social behaviour, particularly acts of vandalism, fly-tipping, squatting and arson attacks.

#### **Empty / Underutilised Properties – Background (Commercial)**

When discussing empty or underutilised properties in a commercial sense this could cover everything from previously larger retail units and smaller individual shops to derelict factories and general Brownfield land, all of which Macclesfield has a quantity of.

<sup>&</sup>lt;sup>29</sup> Empty Homes Statistics 2013 – Homes from Empty Homes Charity Press release March 2014

In one snapshot of the town centre around there were at least **31** buildings which were empty in April 2014, these were a mixture of large buildings previously used as factories to smaller previously independent shops. Several of those buildings were in a very poor state of repair or had already partially fallen down creating a blight on the landscape. Others were vacant but still in a condition whereby it should be possible to return them to use in one form or another relatively easily.

There are many reasons why these buildings may be left empty, some of which will be uncovered by the forthcoming research. However, based on available knowledge it is likely that because some of the larger buildings are remnants of Macclesfield's industrial past they are now no longer fit for purpose and have been left empty by businesses, or those businesses may no longer exist.

In relation to the smaller premises, which until recently were shops, these may be a mixture from properties which were owned by companies or individual landlords which have unfortunately gone out of business after the economic downturn or their tenants have gone out of business and they're unable to find replacements. Others may want to change the use of their building but lack the knowledge or finance to do so.

There is also an issue surrounding Brownfield sites within the town centre, research has shown that there are at least **14** sites inside the In-Town living areas, these sites are naturally of varying sizes & shapes and have previously had many different uses and as a result their conditions are not widely known.

The approximate locations and sizes of the sites have been overlayed onto the In-Town living areas below. Some of these areas will form part of the redevelopment in Macclesfield generally as discussed within the Silk Street section however, there are others which may be worthy of further investigation.



The risks of not addressing these premises or Brownfield sites have many commonalities with those which are currently empty but purely residential properties. However, although some of the residential premises may be displeasing to the eye the sheer size of some of the larger empty / derelict buildings have a major impact on the image of the town and can encourage larger and more serious acts of illegal activity.

### Macclesfield – Sample Sites for redevelopment?

Whilst compiling information for this strategy a number of properties / sites have been identified within the In-Town Living areas which could present a useful re-development / refurbishment opportunity. Some of these sites may already have uses planned but have been vacant for some time.

### Former Kings Head & 3 Pigeons Site, Chestergate / King Edward St





### Former Registry Office, Park Green







#### <u>Currently Available Options – Residential / Smaller Commercial</u>

Currently In-Town Living has the following options and approaches available to assist in returning empty residential properties back into a useable state to the decent homes standard.

#### **Option 1: Working with registered providers:**

The Council is already supporting the provision of affordable housing in Macclesfield Town Centre; information within the "In-Town Living" section has shown that there is a demand for this kind of accommodation in the area. Assistance with identifying potentially suitable accommodation units throughout the area is on-going at this time.

There are two avenues which registered providers (housing associations) can pursue to deliver empty homes into affordable housing. These are:

#### 1A) Lease and Repair:

In this instance the Registered Provider (RP) would enter into a leasing arrangement with the owner of an empty building. The RP would generally lease the building for a set period of time after which it would automatically revert back to the owner's full control. The lease agreements would be for at least five years but longer leases would be encouraged.

The terms of the lease would mean that the owner of the building would get the following benefits:

Newly refurbished accommodation paid for by the developer.

A rent for the use of the building throughout the term of the lease.

Residential tenants in the property throughout the term of the lease – via Cheshire Homechoice waiting list.

For a full process chart for Lease and Repair please see Appendix 1

#### 1B) Purchase and Repair:

This would be when the RP would buy the property from the owner outright and have full control over it going forwards.

In both instances the RP would repair / refurbish the accommodation and bring it up to a decent homes standard. Premises which are currently utilised at commercial / office units would be considered by RP's and they would apply to convert the property to enable residential uses.

At present RP's are actively seeking properties which can be utilised in one of the above ways and potential owners are encouraged to approach the Council or the RP's directly.

#### **Individual Enterprise**

Options 2 & 3 are available for use by the building owners directly; they do not have to use an RP.

#### **Option 2: Cheshire East Council's Empty Homes Assistance Scheme**

Cheshire East Council has an Empty Homes Assistance scheme in operation at present which is designed to enable the owners of empty homes to apply for funding to assist them with conducting necessary repairs and bringing the property up to the Decent Homes Standard. The funding is currently on a **loan** basis, applicants can apply for up to £10,000.

There are two options for the loan:

- a) Interest free monthly repayment loan
- b) Equity Share Loan

Full details for the criteria of this scheme and the application process chart can be found in Appendix 2.

\*\*\*Currently the Private Sector Housing Team is looking to refresh the financial assistance schemes available to applicants with the view to developing a sub-regional approach with partners in Cheshire West & Chester and Warrington Borough Council's as a result the above listed schemes are subject to change.\*\*\*

#### **Available Options – Larger Commercial / Brownfield Sites**

The options for the larger commercial / Brownfield sites are currently somewhat limited which is in stark contrast to the complexities on these sites.

However, very recently the government has announced its intention to create "Housing Zones". Housing Zones are an initiative which is due to be started in London in 2014 under the London Housing Strategy, however the scheme is due to be expanded across the UK. These "zones" will be backed up by funding from central government and it's our hope that Macclesfield may present an attractive town to encourage funding and development which will address the Brownfield sites in the town.

#### What has already been done - Previous Successes?

There have already been successful projects done by private enterprise & registered providers in the town centre area where an empty / underutilised property has been refurbished and brought back into use.

#### **Simon Dunn Chocolatier:**





The above (*Image 11*) is a picture of a former office on Chestergate, Macclesfield. This property was empty and in a poor state of repair for some time. It has since been completely refurbished and converted into a lock up ground floor retail unit which has since been taken up by Simon Dunn Chocolatiers. Above the property there are 2x one bedroom flats which was previously office space.

The upper flats are accessed from the back of the property which provides the added benefit of not having a staircase inside the retail property which creates more useable space. The conversion required almost a full rebuild of the internal part of the building and particular consideration had to be given to the requirements of fire-proofing between the floors, other items such as noise reduction insulation and environmental insulation.

Both the new flats were let to private rented tenants before the construction process had actually finished. They were not let via any agents (although this could have been an option) but a fair market rent was achieved for each. The fully refurbished building is now fully occupied and the owner receives a rent from three different tenants, which by definition has spread the risk for the owner (landlord). Image 12, is how the new shop front looks after the refurbishment.

### After:



### 9 – 17 Churchside Cottages – Equity Housing

### Before:







9-17 Churchside, Macclesfield were last used as office accommodation but has been unoccupied since 2006. The site is 0.03ha and is located in a very central location in the town centre within easy walking distance to local transport, shops and services. The site is owned by Cheshire East Council and consists of five, two storey terraced properties. The buildings are Grade II listed and within the Macclesfield Conservation Area as well as the area of archaeological potential.

Tenders were invited and Equity Housing was chosen to be the development partner of the Council to complete the renovation works and manage the site on a long-term leasehold basis. The provision for 5 units of affordable housing was approved as well as extending 3 of the properties to the rear to provide additional space.

Although the properties will be renovated to a very high standard they will have to maintain the original features of the buildings such as the retention of the external appearance to the front elevation including windows and doors.

Equity Housing are looking to complete and let the renovated properties by Mid-May 2014 and they will be let out to tenants seeking accommodation via Cheshire Homechoice. All 5 properties will comprise of 2 bedrooms and will be let at an affordable rent.

#### After:

The above shots show the new rear extensions of the Churchside Properties.





Policy	Objective	Action	Lead	Timescale	Projected Outcome
MTCHS 1	Target empty property owners to understand the barriers they're experiencing bringing the property back into use.	Conduct research to identify empty / underutilised properties throughout the In-Town living areas, ascertain the ownership of the property (irrespective of commercial / residential owner) and make contact to ascertain why the property is empty and what difficulties they've been having to bring it back into use.	Empty Homes Officers / Housing Policy Officer	Ongoing	Successful identification of properties in the consideration areas and intelligence gathering.
MTCHS 2	To bring empty properties (either above retail units or separate properties) back into use within the In-Town Living areas.	Engage with property owners amongst the identified empty units and seek to return to use utilising currently available funding sources such as the NEHLF, CE Empty Homes Assistance or funding secured via registered providers, and ensuring that those properties are brought up to a decent homes standard.	Empty Homes Officers	Ongoing	Successful return of empty properties to residential uses and to a decent homes standard.
MTCHS 3	Assist Registered Providers (RP's) to deliver empty premises into	Assist with the identification of empty properties within the In-Town Living	Collective	Identify properties by end	Successful delivery of 4 units (max) of

	four useable affordable Housing units.	area and liaise with property owners if required to explain the options available to them in this regard.  Information to be passed to RP's for further processing with the view to works being conducted to deliver the units.	approach:  Strategic  Housing, Empty  Homes & RP's	of April 2014. Plan of works TBC	Affordable Housing within In-Town Living Area.
MTCHS 4	To assist in the creation of a standard Sub-Regional Empty Homes Assistance "Tool-Kit".	Work with partners in Cheshire West & Chester and Warrington Borough Council to standardise information and advice available to property owners wishing to bring any empty properties back into residential uses and ensuring that those properties satisfy the Decent Homes standard.	Karen Whitehead  Assistance: Strategic Housing	TBC	Successful standardisation of advice available, application forms and funding steams across the subregion.
MTCHS 5	Seek to attract funding sources to Macclesfield to support In-Town living developments and link with other Macclesfield Projects.	Showcase previous successes within the Town Centre area thereby raising the profile of the project as well as that of other Macclesfield based schemes which will position the town appropriately and provide an attractive option for further private / public sector investment as it becomes available.	Karen Carsberg / Housing Policy Officer	TBC	Additional funding streams identified and secured.

#### **Appendices**

#### Appendix 1 – Registered Social Landlord – Lease and Repair Process

# Stage 1

Property owner makes contact with RP

# Stage 2

•Potential property is viewed by RP to determine if it would be suitable for the project. Suitability would include assessing if the property was in the correct location and if it would be provisionally financially viable

## Stage 3

Offer is made to the owner of the building with appraisal and costs included.
 Rental costs and lease length also included within appraisal

### Stage 4

•Heads of terms agreed if the owner accepts the offer made

# Stage 5

•Detailed condition survey will be compiled. This would provide a detailed works specification and highlight any structural defects. Initial designs will also be included in this stage. Structural survey would be ordered if required.

## Stage 6

•Owner would then be required to agree to the design and works specification provided by stage 5

## Stage 7

•Owner and their appointed solicitor agree and sign the lease agreement

# Stage 8

 Look to submit a planning, building regulations and listed building consent (if required)

# Stage 9

•Initiate a tender process for the works and appoint a contract who would then conduct the works.

# Stage 10

 Once works have been completed or nearing completion RP would source tenants for the properties.

#### Appendix 2 - Cheshire East Council - Empty Homes Loan Fund - Criteria and Process Chart

There are several criteria which an applicant must satisfy in order to be accepted by the scheme these are:

- They must own the property,
- The property must be registered at the Land Registry as a residential dwelling,
- The property must have been empty for at least 12 months, or determined as a high priority by the Council,
- After repairs to the property are completed it must either:
  - Be going to occupied by the owner
  - Let to a tenant on no less than a 12 month tenancy agreement basis and the applicant has to be a member of the Council's Landlord Accreditation Scheme.
  - Leased to a management agent or registered provider for on at least a 3 years lease basis.

The assistance can be used to assist with costs for:

- Heating and hot water
- Roof repairs
- Damp proof course
- Gutters and drain pipes
- Windows and / or doors
- Electrical / Wiring repairs
- Fire safety measures
- Home security measures

An empty homes officer would also need to visit the property to assess the repairs which may be needed and inform the applicant if the assistance can be used in that regard or not.

The loan itself is naturally repayable and there are two different methods that this can be achieved:

#### a) Interest-free monthly repayment loan

As the name suggests this type of loan is paid on a monthly basis, typically one month after the loan amount is paid to the applicant. The loan itself can be repaid for a period of up to 10 years. For example, if the maximum loan amount was issued and the applicant wanted it over the full 10 year period they would have to repay £83.33 per month.

#### b) Equity Share Loan

This type of loan is issued on the basis that the applicant accepts that the local authority will own a share in the value of the property in question. The benefit of this type is that the applicant will have no monthly repayments to factor in and again no interest will be added to the loan amount. The loan is not required to be repaid until the property is sold or when it is transferred to the ownership of another person. The repayment will be based on the value of the property at the time of the sale.

For example if the maximum loan amount (£10,000) is issued and the property is worth £100,000 then the Council would naturally own a 10% stake in the property. However, when the property is sold, if the value increases to £110,000 then the Council will still have to be paid 10% of the new value meaning the owner would repay £11,000 instead of £10,000.

#### **Application Process:**

# Stage 1

• Property owner completes online application for assistance.

# Stage 2

• Empty Homes Officer assesses the application to ensure that the owner satisfies the necessary requirements for funding.

# Stage 3

• Empty Homes Officer visits the potential property to advise on the required works and if they would meet the criteria of the loan.

# Stage 4

• If accepted, the loan would be authorised and paid to the owner for the necessary works to be completed.

# Stage 5

• If the owner has opted for the monthly repayment loan, this will be taken one calendar month after the loan amount has been transferred.

### **Glossary**

### **Glossary – Images**

Image 1 =	Map of In-Town Living areas taken and manually modified from Google Maps.
Image 2 =	Map CEC / Wilson Bowden Development Area – Macclesfield.
Image 3 =	Computer generated image of Silk Street development overlooking Churchill Way, Macclesfield.
Image 4 =	Computer generated image of Silk Street looking towards the south of the development.
Image 5 =	Computer generated image overlooking the proposed Mulberry Square at the heart of the development.
Image 6 =	Computer generated image looking north up Churchill Way, Macclesfield focusing on the proposed cinema.
Image 7 =	CEC Interactive map displaying Macclesfield Central Ward.
Image 8 =	Map of In-Town Living areas taken and manually modified from Google Maps.
Image 9 =	Infrastructure connectivity map of Macclesfield – taken and modified from Google Maps.
Image 10 =	Map of In-Town Living areas overlayed with Brownfield sites taken and modified from Google Maps.

- Image 11 = View of former Kings Head & 3 Pigeons Site from King Edward Street, Macclesfield (focusing on former Kings Head Pub side).
- Image 13 = View of former Macclesfield Registry Office, Park Green, Macclesfield.
- Image 14 = View of former Newsagents, Mill Street, Macclesfield.
- **Image 15** = "Before" image of former office on Chestergate, Macclesfield.
- **Image 16** = "After" image of former office on Chestergate, now Simon Dunn Chocolatier.
- Image 17 = "Before" image of 9 17 Churchside Cottages, Macclesfield (Equity Housing)
- Image 18 = "Before" image of 9 17 Churchside Cottages, Macclesfield (Equity Housing) view looking towards properties from town square.
- Image 19 = "Before" image of 9 17 Churchside Cottages, Macclesfield (Equity Housing) view to the rear of the properties.
- Image 20 = "After" image of 9 17 Churchside Cottage, Macclesfield view towards the rear of the property.
- Image 21 = "After" image of 9 17 Churchside Cottage, Macclesfield view towards the rear of the property.

### **Glossary – Charts**

Chart 1 =	Chart providing a breakdown of the numbers of companies which have failed in the UK 2007-2013. Chart created from Centre for Retail Research data.
Chart 2 =	Chart providing a breakdown of the number of stores / branches which have closed in the UK 2007-2013. Chart created from Centre for Retail Research data.
Chart 3 =	Chart providing a breakdown of the number of employees which have been affected by store closures in the UK 2007-2013. Chart created from Centre for Retail Research data.
Chart 4 =	Chart providing an analysis of Macclesfield Central Ward population levels 2009-2012. Created using data provided by the Office of National Statistics ( <i>mid-year population estimates</i> ).
Chart 5 =	Chart providing an analysis of Macclesfield Town (general) population levels 2009-2012. Created using data provided by the Office of National Statistics ( <i>mid-year population estimates</i> ).
Chart 6 =	Chart providing an age profile breakdown for Macclesfield Central Ward based on data provided by the Office of National Statistics ( <i>mid 2012 population estimates</i> ).
Chart 7 =	Chart providing an age profile breakdown for Macclesfield Town (General) based on data provided by the Office of National Statistics ( <i>mid 2012 population estimates</i> ).
Chart 8 =	Chart providing a tenure breakdown for Macclesfield Central Ward based on Census data 2011. Data provided by the Office of National Statistics.
Chart 9 =	Chart providing a tenure breakdown for Macclesfield Town (General) based on Census data 2011. Data provided by the Office of National Statistics.

- Chart 10 = Chart providing a tenure breakdown comparison for Macclesfield Town (General) based on Census data from 2001 and 2011. Data provided by the Office of National Statistics.
- Chart 11 = Chart providing a breakdown of the numbers and types of properties let out by

  Letting Agents in Macclesfield Town Centre (In-Town Living) areas only 2013. Data

  collated by PRS Research Project MS (Strategic Housing CEC)
- Chart 12 = Chart providing a breakdown of the numbers and types of properties let out by Letting Agents in Macclesfield (General) 2013. Data collated by PRS Research Project MS (Strategic Housing CEC)
- Chart 13 = Chart providing the average rental value breakdown amongst properties let out in the Town Centre (In-Town Living) areas only 2013. Data collated by PRS Research Project MS (Strategic Housing CEC).
- Chart 14 = Chart providing the average rental value breakdown amongst properties let out in Macclesfield (General) 2013. Data collated by PRS Research Project MS (Strategic Housing CEC).
- Chart 15 = Chart providing the perceived demand for PRS accommodation in Macclesfield (General) 2013. Data collated by PRS Research Project MS (Strategic Housing CEC).
- Chart 16 = Chart providing a breakdown of those clients currently on Cheshire Homechoice (CHC) who would consider a property in the PRS in Macclesfield (General). Data collated by PRS Research Project MS (Strategic Housing CEC).
- Chart 17 = Chart provides a breakdown of Affordable Rented Demand in Town Centre areas (only) by property type. Data collated from CHC Analysis.
- Chart 18 = Chart provides an age profile of applicants from CHC who are looking to secure a 1 bed flat in the Town Centre areas (only). Data collated from CHC Analysis.

- Chart 19 = Chart provides a household breakdown for demand of 2 Bed Houses in Town Centre areas (only). Data collated from CHC Analysis.
- Chart 20 = Bid analysis for Affordable Housing in the Town Centre Areas (Only) from 2013 nominations. Data collated from CHC Analysis.
- Chart 21 = Affordable Rented Demand breakdown in Macclesfield (General) by property type and size required. Data collated from CHC Analysis.