

Briefing Paper to the Economy and Environment Overview and Scrutiny Commission**Wards:** Drypool / St. Andrew's & Docklands / Central12th February 2026**City Centre Development Sites****Briefing Paper of the Corporate Director for Regeneration and Partnerships**

This item is not exempt therefore exempt reasons are not applicable.

1. Purpose of the Paper and Summary

1.1 This briefing paper provides an update on four key development sites within Hull City Centre:

- East Bank
- Albion Square
- Myton Gate
- Paragon (formerly St Stephens)

1.2 The ambition for these sites is to offer new inclusive neighbourhoods where people choose to live, work and play. The offer will combine Hull's unique features to create highly sustainable mixed-use urban developments; balanced and diverse high-quality living which respects and reflects the history of each site.

1.3 In July 2023, an option for a procurement exercise for the sites was agreed, to secure development partners to achieve phased development that promotes sustained and balanced residential and mixed-use City Centre regeneration. The option was to develop specifications, commence procurement of a lead development partner or partners, and select a developer for all key sites. Procuring lead development partner(s) was the most robust approach to achieving the Council's overall vision of the City Plan and the emerging community strategy.

1.4 The approach ensured competition and value for money whilst ensuring the public sector could maintain enough control within sites and their zones of influence through formal contracts, which can maximise both quality of design and financial returns. This option enabled the Council to set out its requirements in terms of the quality of housing, the appropriate mix of uses, site phasing and infrastructure works including highways, flood management, public realm improvements and open space management.

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1.5 The option harnessed the skills and expertise of a lead development partner for the longer term leading to a committed partnership and high-quality proposals driving values over the longer term. This has been the experience in the Fruit Market which has achieved positive and sustained investments.

1.6 This report provides updates on progress to date.

2. Background

2.1 All the sites are large and ambitious City Centre regeneration locations are identified as catalyst projects within the 2025 City Centre Vision. Once developed, they will have the capacity to establish new communities and support Hull's City Centre economy. Additional residential development within the city centre is important not just to provide additional housing for our residents but will also support growth for the city as a whole, provide additional demand for city centre businesses and contribute to a vibrant and active city.

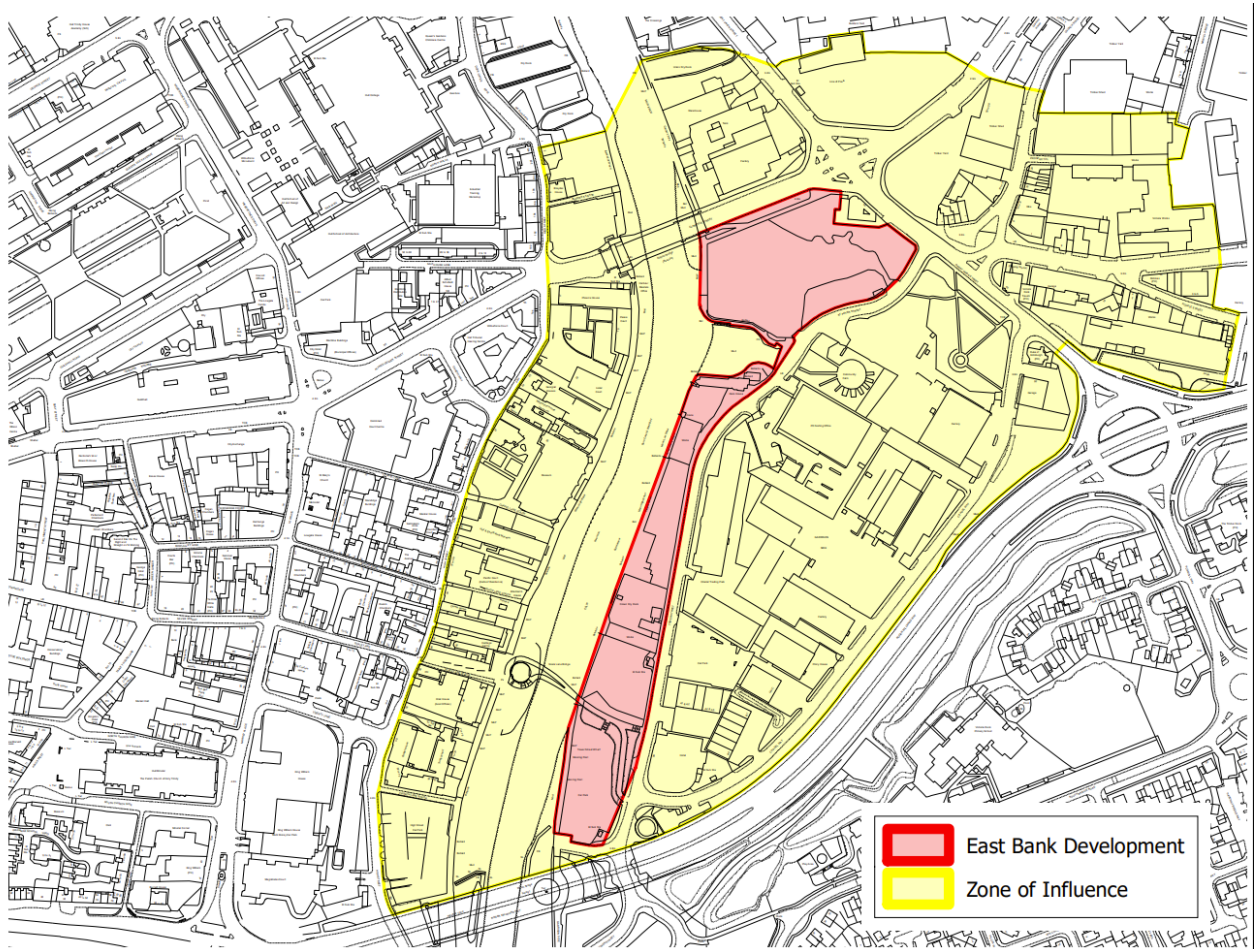
2.2 In addition, the proposed National Planning Policy Framework and revised local housing need methodology sets a target for us to deliver 998 additional homes per year (the current annual target within the 2017 Local Plan is 620 homes). Given the lack of available greenfield land within the city boundaries, higher density developments in the city centre and the new dwellings which form part of these core City Centre sites will make a significant contribution to delivering against these housing objectives and targets for the City.

2.3 The success of all four sites will depend on some level of public / private sector partnering and support; delivery is unlikely without some public sector intervention to de-risk sites.

2.4 The sites have been submitted as part of the Homes England Housing Pipeline, as well as the HEYCA Investment Pipeline. They are considered as priority sites for the Council.

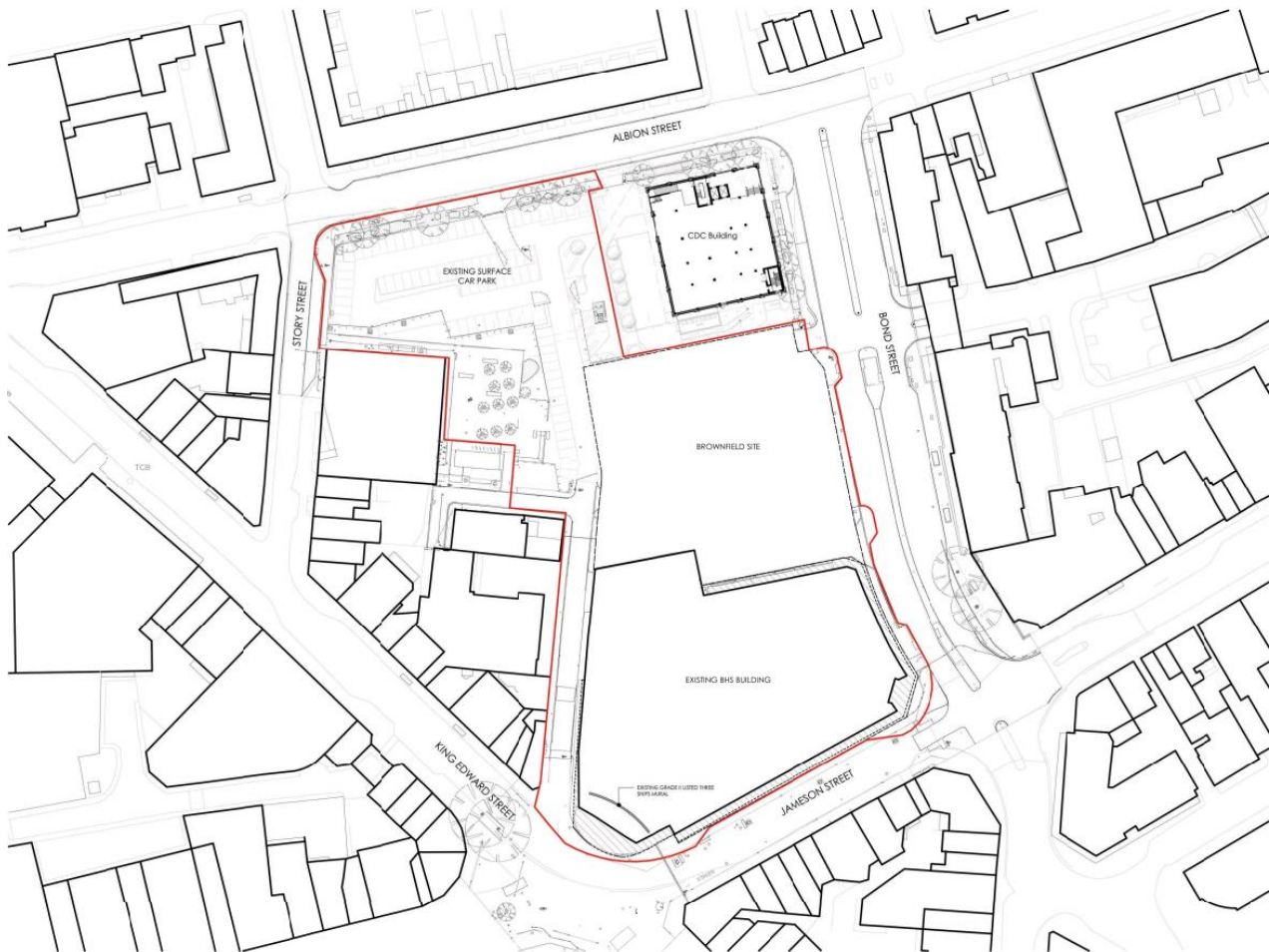
2.5 The sites also feed into the delivery of the Hull City Centre Vision 2025-2045, as part of the priority project list.

2.6 The vision states that **East Bank Urban Village**, a development partnership between the Council and English Cities Fund (ECF), will deliver 850 homes alongside public realm improvements and a riverside promenade, significantly increasing the city centre housing offering and setting out a new standard for urban living. It has the potential to re-invigorate the expansion of the City Centre, to the east of the River Hull. The project provides the opportunity to animate the eastern bank of the River Hull and celebrate the gateway into the City Centre from the east. A development partner has already been secured, with work ongoing.



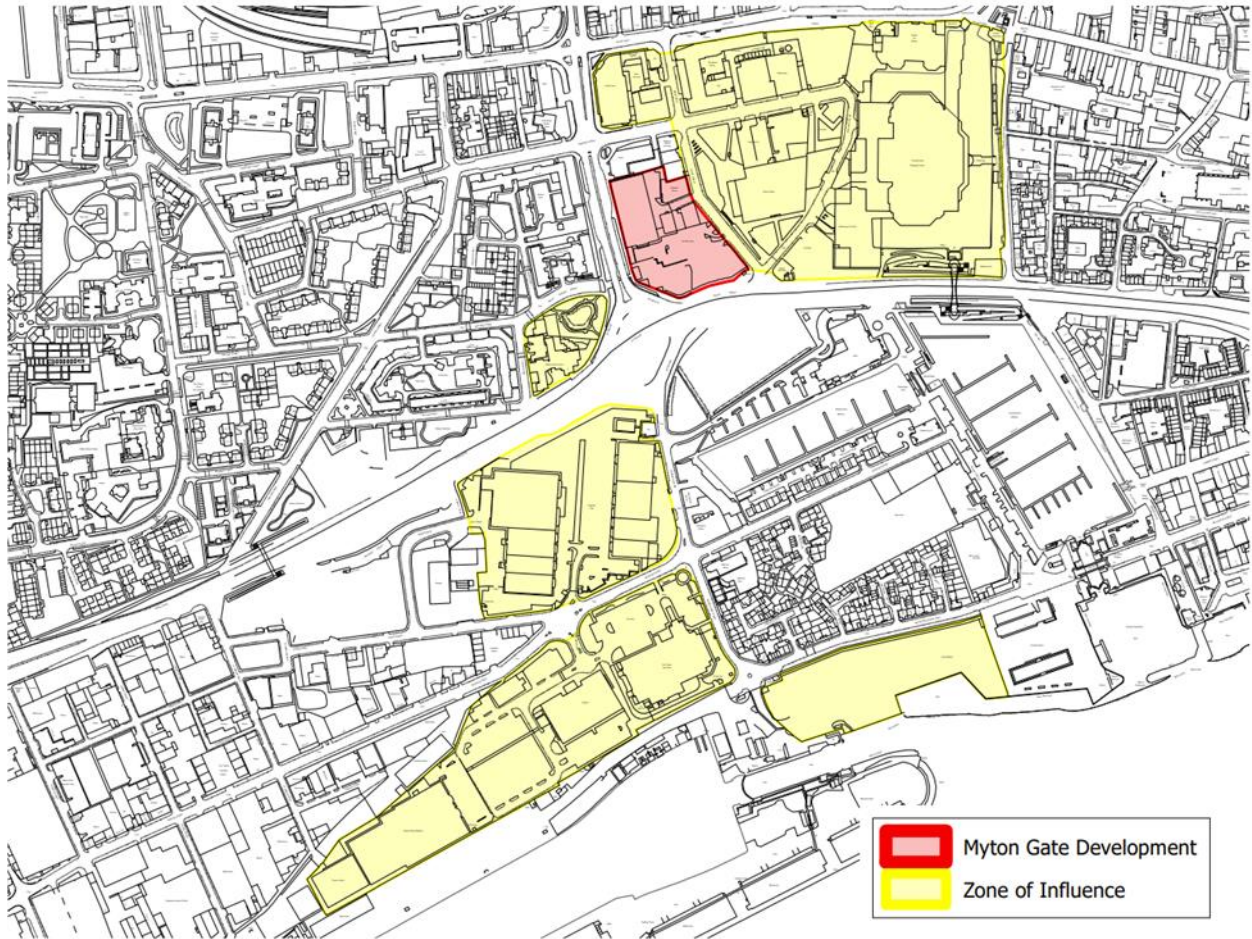
East Bank Red Line and Zone of Influence

2.7 The redevelopment of **Albion Square** will create a mix of uses for this area of the City Centre. Phase 1 features a new NHS Community Diagnostic Centre supporting approximately 300 patients daily and is now open and in use. The site provides an iconic City Centre landmark and lies at a key corner in the City Centre with potential to provide 200 additional dwellings and additional commercial and leisure space. Remediation work is underway, with 26,000 tonnes of contaminated building waste including asbestos removed, preservation work to the listed Three Ships mural starting imminently ahead of intended demolition of the remainder of the BHS building later this year. We recently launched a tender process for a development partner to take forward the site once this is complete.



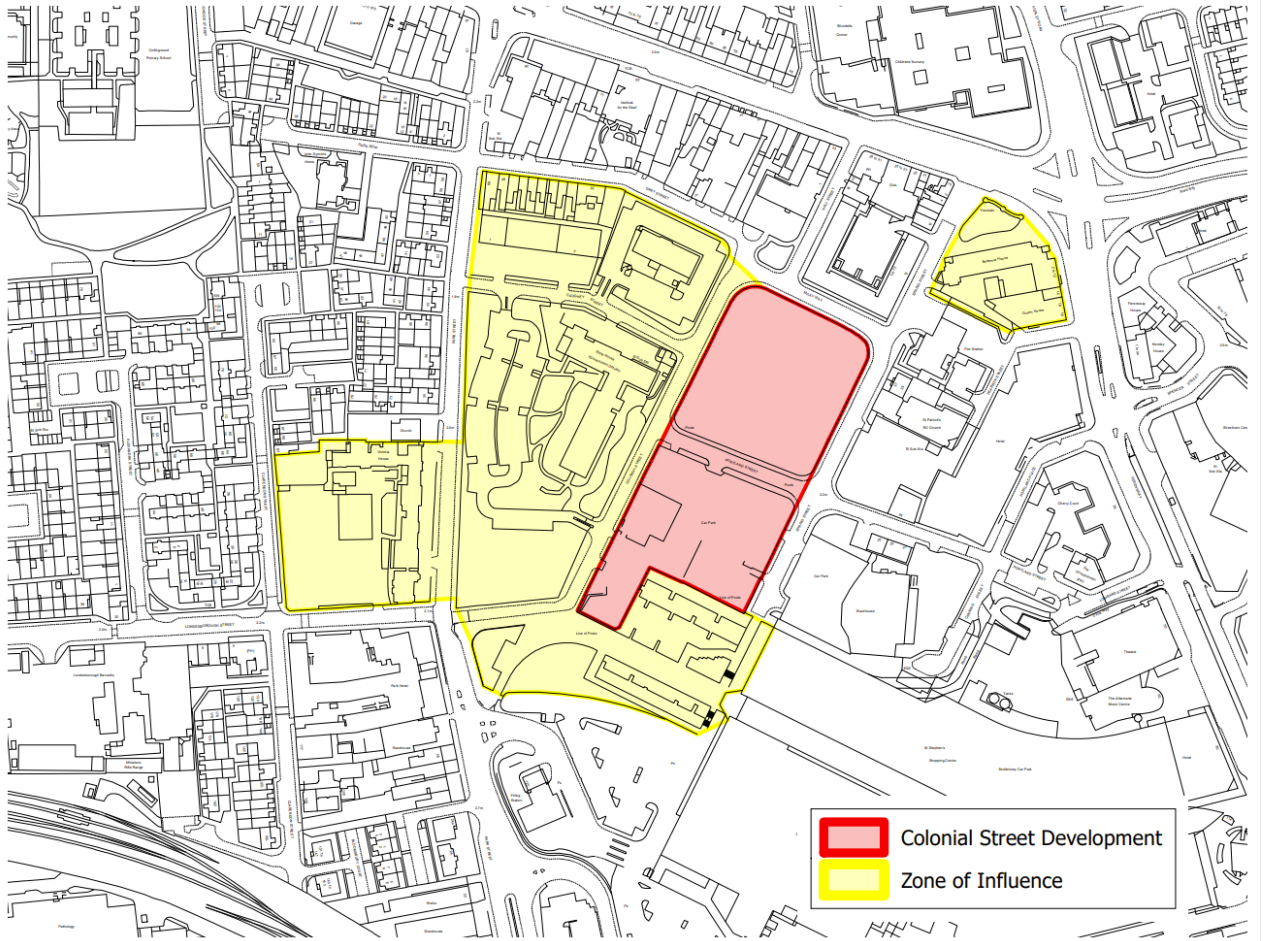
Albion Square updated Red Line plan

2.8. **Myton Street** lies along the key connection of Ferensway and lies adjacent to the Connexin Arena and Princes Quay. This site has the potential to be the key site which enables the Ferensway Innovation Corridor, deliver a new hotel and workspace to the City Centre and animate the key streets and spaces immediately surrounding it.



Myton Gateway Red Line plan and Zone of Influence

- 2.9 **Paragon** on Colonial Street opens up the development potential of the City's north-western gateway, capitalising on the connection through St. Stephen's Shopping Centre and animating the routes to the Stadium and Hospital. Early-stage design work is ongoing.



Paragon Core Site Red Line Plan and Zone of Influence

3. Issues for Consideration

3.1 East Bank Urban Village

- 3.1.1 Following the tender for a Lead Developer Partner in 2024, the Council entered into a contract with ECF (a joint venture between Muse, Homes England and Legal & General) in May 2025.
- 3.1.2 Since entering this contract, Muse, acting as development manager on behalf of ECF, have appointed an extensive team of professional consultants that have worked at pace to develop the concept designs into a full planning submission.
- 3.1.3 The plans are nearing finalisation, with the submission of a hybrid planning application, targeted for March 2026. This hybrid application will cover Phase 1 in detail and Phases 2-4 in outline in conjunction with a design code.

- 3.1.4 Overall, the planning submission will demonstrate the ability to deliver up to 850 homes across the whole scheme, in four phases, along with extensive public realm, complimentary commercial spaces, refurbishment of the river walkway, Buoy Shed and Lock Keeper's cottage and improvement to the flood defences for the site. This proposal will deliver the scale and quality that meet the Council's vision and ambition for East Bank.
- 3.1.5 Phase 1, to the north of the scale lane bridge up to the Trinity House Buoy Shed, is proposed to be a lower rise development made up of 36 Town Houses, largely 2 and 3 bed and 79 Apartments, mostly 2 bed. In addition to the residential offer, Phase 1 will be a new public square as a landing off the scale lane bridge and also remediate the dilapidated river walkway. The square will be surrounded by commercial spaces on the ground floor of the apartment blocks. Alongside Phase 1, a significant package of remediation works will be undertaken to the Buoy Shed, to stabilise the building, and fit out for a suitable meanwhile use. Phase 1 will be all affordable housing, across a mix of rent and shared ownership. Extensive pre-application discussions have occurred on the site, and the key statutory consultees have been heavily engaged to help de-risk the planning submission.
- 3.1.6 Phase 2, to the south of scale lane bridge (currently the Tower Street Surface Car Park) is still under development but could constitute three larger blocks. Phase two will offer a mix of affordable and built to rent apartments.
- 3.1.7 Similarly, Phases 3 and 4, at the northern end of the site on the former Clarence Mill, is proposed to be built to a greater height, alongside new public realm, green spaces and further connected active travel routes. These apartments will also be offered as rental units.
- 3.1.8 Work to date is utilising a significant portion of the Levelling Up Partnership funding secured by the authority to enable the East Bank development. Additional funding will come from investment partners, with the viability gap anticipated to be bridged by Homes England and HEYCA.
- 3.1.9 East Bank is being developed as a low level parking scheme, with very limited parking provision being provided within the red line boundary, instead residents will be able to make use of parking in close proximity, such as the Premier Inn multi-storey, for which the Council is exploring its suitability for acquisition to support the scheme.
- 3.1.10 East Bank will connect to Hull District Heat Network, ensuring the scheme complies with Hull's Net Zero targets whilst also offering cheap, low carbon energy to residents.
- 3.1.11 Work continues to finalise the planning submission, complete land assembly and prepare for construction on Phase 1, to commence in early 2027. The development is expected to finish Phase 4 in 2040.

3.1.12 The proposed scheme will deliver against the authority's vision and ambitions for the site and will be the first of the catalyst sites in the City Centre Vision to deliver regeneration and housing in the city centre.

3.1.13 Despite the Levelling Up Partnership funding previously secured by the Council, a viability gap is still projected across several phases of East Bank. Additional funding is being sought from Homes England and HEYCA, (and Historic England to support the Buoy Shed works) however should a gap remain, there may need to be additional funds provided by the Council to bridge any gap.

3.2 Albion Square

3.2.1 Over the past three years, the Council has worked closely with NHS England and Hull University Teaching Hospital (HUTH) to complete a Community Diagnostic Centre on the corner of Albion Street and Bond Street. Construction works started early 2024 and the building was handed over to the HUTH in August 2025. The centre will provide approximately 27,000 appointments per year and 100 new jobs, benefitting the residents of Hull and providing additional footfall and business opportunities to this area.

3.2.2 In February 2025, Cabinet approved the procurement activity to secure a development partner to support the delivery of the Albion Square development. The delivery of this site through a development partner approach will enable greater levels of finance to be leveraged and combined expertise and capacity to be pooled, with risk and reward being shared between both parties. Capital funding of £17m was allocated to the project to support the shortfall between development cost and end value.

3.2.3 A development partner pre-market engagement questionnaire was sent out via YORtender in April 2025. Five companies responded to the questionnaire, all showing a keen interest in the development opportunity. Several developers showed an interest in developing a new build scheme, such as the scheme which received planning approval in October 2022. The development opportunity was also promoted at the UK's Real Estate and Infrastructure Forum (UKREiiF) where there was a keen interest in Hull and the Albion Square development opportunity.

3.2.4 An invitation to tender was issued in w/c 12th Jan 2026 with tender returns expected late February. A period of dialogue will then take place with the preferred developer with a final bid being submitted in summer 2026. If successful, the Council will enter into a development agreement with the preferred developer.

3.2.5 In December 2025, a condition survey was undertaken on the mural and Certificate of Lawfulness was submitted to the Planning Authority to progress protection and preservation works to the Three Ships mural. A planning application is also being progressed to install the supporting steelwork to the Three ships mural which will enable demolition of the building to take place. It is anticipated that the steel frame will be in place by June 2026 with the demolition works starting shortly afterwards. The Three Ships mural will be incorporated into the new development.

3.3 Myton Gateway

- 3.3.1 Myton Gateway is recognised in Hull's City Centre Vision, as one of the catalyst projects which are key to unlocking investment and growth in the city centre. The proposal is for a mixed-use development offering opportunities for new workspace, a hotel and residential uses. The site is seen as an enabler for neighbourhood change, creating a new frontage onto the remodelled A63, animating key streets and public spaces and improving the connection between the City Centre and Western Docklands.
- 3.3.2 This site also has the potential to be the gateway to the Ferensway Innovation Corridor, which seeks to deliver a new focus for workspace and improving the arrival experience for the city.
- 3.3.3 The site is in full Council ownership following land assembly which took place in 2020. The first phase of re-development to this area was the Connexin Live arena which opened its' doors in 2018 and has been closely followed by Murdoch's Bridge which connects this area to the marina and Fruit Market. The bridge was lifted into place in 2019 and opened to the public in 2021. The most recent addition is the £2m restoration of Hull's historic Castle Street Chambers and Earl De Grey frontage, which has created more than 6,000sqft of prime commercial space. Planning approval was also granted for 150 bed hotel on the land between Castle Street Chamber and Princes Quay.
- 3.3.4 The Staples site is currently being used as a temporary construction compound for highway works in the city centre but is likely to become available in the coming months. Therefore, demolition of the Staples building will be able to take place in readiness for full redevelopment of the site.

3.4 Paragon (formerly St Stephen's/Colonial Street)

- 3.4.1 The Council commissioned Stantec to undertake master-planning of the Paragon Development site in conjunction with One Public Estate. Stantec undertook various technical studies including a Public Sector Accommodation Study to give an understanding on current office spaces used by various government bodies across the City Centre, with a view to consolidation options.
- 3.4.2 The Council currently owns the core site of the Paragon development area, that has a notional capacity for 200 homes. However, we tasked Stantec with visioning a red line area wider than the core site in order to deliver the biggest impact from the development opportunity available.
- 3.4.3 The wider site includes several parcels of land in third party ownership, and consideration towards land assembly priorities needs to be undertaken. The Government Property Agency owns the south wing of Earle House, which is currently vacant and suggested for demolition in the masterplan. The Council owns the North Wing, which is leased to the GPA and various government agencies. Consideration could be given to a land swap.

3.4.4 Following inclusion in the City Centre Vision, there is interest from developers in the opportunity and these are being explored in more detail.

3.5 Development sites as a combined programme

3.5.1 Care needs to be given around perceived demand, visioning and data driven needs assessment when deciding on the product for each site. The City Centre Vision lays out aspirational plans for the sites covered by this report, all of which are catalyst sites, however these visions should be supported by qualitative and quantitative assessments around actual need and viability ahead of any procurement of lead developer partner.

3.5.2 It is simple to look at these development sites in isolation, however, to ensure true transformational change consideration needs to be given to the combined impact of the sites in conjunction with the delivery timescales. This will ensure true city-wide needs are met across all the development opportunities, and with respect to needs that have already been met by any development or contracting to date.

3.5.3 Whilst competition in the market is healthy, and best value needs to be achieved across all sites, it is easy to over-estimate the competition and interest in sites and interested party’s capacity or ability to bid.

3.5.4 The Council should remain open to exploring all partnership models and innovative ways of working with new partners that may not fall into the traditional competitive procedure.

3.5.5 The Council should find simple routes to capitalise on interest that is forthcoming on development sites, rather than squandering this interest through overly complex and burdensome procedure.

3.5.6 The key and below table provides an estimated timeline for progressing each site from marketing the development opportunity, securing a development partner, progressing the design and obtaining planning approval and starting construction on site.

Market Development Opportunity
Secure Development Partner
Design & Planning Approval
Construction

Development Site	Staggered Programme of Activity												
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036+
East Bank	Market Development Opportunity	Secure Development Partner	Design & Planning Approval	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction
Albion Square	Market Development Opportunity	Secure Development Partner	Design & Planning Approval	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction
Myton Gate	Market Development Opportunity	Secure Development Partner	Design & Planning Approval	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction
Paragon	Market Development Opportunity	Secure Development Partner	Design & Planning Approval	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction

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4. Next steps

- 4.1 A further update will be provided to the Economy and Environment Overview and Scrutiny in the Autumn time.

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Officer Interests: None